104TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
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RYAN WHITE CARE ACT AMENDMENTS OF 1995

SEPTEMBER 14, 1995.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BLILEY, from the Committee on Commerce, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 1872]

[Including cost estimate of the Congressional Budget Office]

The Committee on Commerce, to whom was referred the bill (H.R. 1872) to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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99–006

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ryan White CARE Act Amendments of 1995".

SEC. 2. REFERENCES.

Whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to that section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

SEC. 101. ESTABLISHMENT OF PROGRAM OF GRANTS.

(a) IN GENERAL.—Section 2601 (42 U.S.C. 300ff–11) is amended—

(1) in subsection (a),

(A) by striking "subject to subsection (b)" and inserting "subject to subsections (b) through (d)"; and

(B) by striking "metropolitan area" and all that follows and inserting the following: "metropolitan area for which there has been reported to the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome for the most recent period of five calendar years for which such data are available."; and

(2) by adding at the end thereof the following subsections:

"(c) REQUIREMENT REGARDING POPULATION.—In the case of a metropolitan area that was not an eligible area under this part for fiscal year 1996, the Secretary may not make a grant under this section for the area unless the area has a population of 500,000 or more individuals. For purposes of eligibility under this part, the boundaries of each metropolitan area are the boundaries in effect for fiscal year 1994.

"(d) CONTINUED STATUS AS ELIGIBLE AREA.—A metropolitan area that was an eligible area under this part for fiscal year 1996 is an eligible area for fiscal year 1997 and each subsequent fiscal year.".

(b) CONFORMING AMENDMENT REGARDING DEFINITION OF ELIGIBLE AREA.—Section 2607(1) (42 U.S.C. 300ff–17(1)) is amended by striking "The term" and all that follows and inserting the following: "The term 'eligible area' means a metropolitan area meeting the requirements of section 2601 that are applicable to the area.".

SEC. 102. HIV HEALTH SERVICES PLANNING COUNCIL.

(a) ESTABLISHMENT.—Section 2602(b)(1) (42 U.S.C. 300ff–12(b)(1)) is amended—

(1) in subparagraph (A), by inserting before the semicolon the following: ", including federally qualified health centers";

(2) in subparagraph (D), by inserting before the semicolon the following: "and providers of services regarding substance abuse";

(3) in subparagraph (G), by inserting before the semicolon the following: "and historically underserved groups and subpopulations";

(4) in subparagraph (I), by inserting before the semicolon the following: ", including the State medicaid agency and the agency administering the program under part B";

(5) in subparagraph (J), by striking "and" after the semicolon;

(6) by striking subparagraph (K); and

(7) by adding at the end the following subparagraphs:

"(K) grantees under section 2671, or, if none are operating in the area, representatives of organizations in the area with a history of serving children, youth, women, and families living with HIV; and

"(L) grantees under other HIV-related Federal programs.".

(b) DUTIES.—Section 2602(b)(3) (42 U.S.C. 300ff–12(b)(3)) is amended—

(1) by striking "The planning" in the matter preceding subparagraph (A) and all that follows through the semicolon at the end of subparagraph (A) and inserting the following: "The planning council under paragraph (1) shall carry out the following:

"(A) Establish priorities for the allocation of funds within the eligible area based on the following factors:

"(i) Documented needs of the HIV-infected population.

"(ii) Cost and outcome effectiveness of proposed strategies and interventions, to the extent that such data are reasonably available.

"(iii) Priorities of the HIV-infected communities for which the services are intended.

"(iv) Availability of other governmental and nongovernmental resources.";

(2) in subparagraph (B)—

(A) by striking "develop" and inserting "Develop"; and

(B) by striking "; and" and inserting a period;

(3) in subparagraph (C)—

(A) by striking "assess" and inserting "Assess";

(B) by striking "rapidly"; and

(C) by inserting before the period the following: ", and assess the effectiveness, either directly or through contractual arrangements, of the services offered in meeting the identified needs"; and

(4) by adding at the end the following subparagraphs:

"(D) Participate in the development of the statewide coordinated statement of need initiated by the State health department (where it has been so initiated).

"(E) Obtain input on community needs through conducting public meetings.".

(c) GENERAL PROVISIONS.—Section 2602(b) (42 U.S.C. 300ff–12(b)) is amended by adding at the end the following paragraph:

"(4) GENERAL PROVISIONS.—

"(A) COMPOSITION OF COUNCIL.—The planning council under paragraph (1) shall (in addition to requirements under such paragraph) reflect in its composition the demographics of the epidemic in the eligible area involved, with particular consideration given to disproportionately affected and historically underserved groups and subpopulations. Nominations for membership on the council shall be identified through an open process, and candidates shall be selected based on locally delineated and publicized criteria. Such criteria shall include a conflict-of-interest standard for each nominee.

"(B) CONFLICTS OF INTEREST.—

"(i) The planning council under paragraph (1) may not be directly involved in the administration of a grant under section 2601(a). With respect to compliance with the preceding sentence, the planning council may not designate (or otherwise be involved in the selection of) particular entities as recipients of any of the amounts provided in the grant.

"(ii) An individual may serve on the planning council under paragraph (1) only if the individual agrees to comply with the following:

"(I) If the individual has a financial interest in an entity, and such entity is seeking amounts from a grant under section 2601(a), the individual will not, with respect to the purpose for which the entity seeks such amounts, participate (directly or in an advisory capacity) in the process of selecting entities to receive such amounts for such purpose.

"(II) In the case of a public or private entity of which the individual is an employee, or a public or private organization of which the individual is a member, the individual will not participate (directly or in an advisory capacity) in the process of making any decision that relates to the expenditure of a grant under section 2601(a) for such entity or organization or that otherwise directly affects the entity or organization.".

SEC. 103. TYPE AND DISTRIBUTION OF GRANTS.

(a) FORMULA GRANTS BASED ON RELATIVE NEED OF AREAS.—Section 2603(a) (42 U.S.C. 300ff–13(a)) is amended—

(1) in paragraph (1)—

(A) in the second sentence, by inserting ", subject to paragraph (4)" before the period; and

(B) by adding at the end the following sentence: "Grants under this paragraph for a fiscal year shall be disbursed not later than 60 days after the date on which amounts appropriated under section 2677 become available for the fiscal year, subject to any waivers under section 2605(d).";

(2) in paragraph (2), by amending the paragraph to read as follows:

"(2) ALLOCATIONS.—Of the amount available under section 2677 for a fiscal year for making grants under section 2601(a)—

"(A) the Secretary shall reserve 50 percent for making grants under paragraph (1) in amounts determined in accordance with paragraph (3); and

"(B) the Secretary shall, after compliance with subparagraph (A), reserve such funds as may be necessary to carry out paragraph (4)."; and

(3) by adding at the end the following paragraph:

"(4) MAXIMUM REDUCTION IN GRANT.—In the case of any eligible area for which a grant under paragraph (1) was made for fiscal year 1995, the Secretary, in making grants under such paragraph for the area for the fiscal years 1996 through 2000, shall (subject to the extent of the amount available under section 2677 for the fiscal year involved for making grants under section 2601(a)) ensure that the amounts of the grants do not, relative to such grant for the area for fiscal year 1995, constitute a reduction of more than the following, as applicable to the fiscal year involved:

"(A) 1 percent, in the case of fiscal year 1996.

"(B) 2 percent, in the case of fiscal year 1997.

"(C) 3 percent, in the case of fiscal year 1998.

"(D) 4 percent, in the case of fiscal year 1999.

"(E) 5 percent, in the case of fiscal year 2000.".

(b) SUPPLEMENTAL GRANTS.—Section 2603(b) (42 U.S.C. 300ff–13(b)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking "Not later than" and all that follows through "section 2605(b)—" and inserting the following: "After allocating in accordance with subsection (a) the amounts available under section 2677 for grants under section 2601(a) for a fiscal year, the Secretary, in carrying out section 2601(a), shall from the remaining amounts make grants to eligible areas described in this paragraph. Such grants shall be disbursed not later than 150 days after the date on which amounts appropriated under section 2677 become available for the fiscal year. An eligible area described in this paragraph is an eligible area whose application under section 2605(b)—";

(B) in subparagraph (D), by striking "and" after the semicolon;

(C) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(D) by adding at the end thereof the following subparagraph:

"(F) demonstrates the manner in which the proposed services are consistent with the local needs assessment and the statewide coordinated statement of need."; and

(2)(A) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(B) by inserting after paragraph (1) the following paragraph:

"(2) PRIORITY.—

"(A) SEVERE NEED.—In determining severe need in accordance with paragraph (1)(B), the Secretary shall give priority consideration in awarding grants under this subsection to eligible areas that (in addition to complying with paragraph (1)) demonstrate a more severe need based on the prevalence in the eligible area of—

"(i) sexually transmitted diseases, substance abuse, tuberculosis, severe mental illness, or other conditions determined relevant by the Secretary, which significantly affect the impact of HIV disease;

"(ii) subpopulations with HIV disease that were previously unknown in such area; or

"(iii) homelessness.

"(B) PREVALENCE.—In determining prevalence of conditions under subparagraph (A), the Secretary shall use data on the prevalence of the conditions described in such subparagraph among individuals with HIV disease (except that, in the case of an eligible area for which such data are not available, the Secretary shall use data on the prevalences of the conditions in the general population of such area).".

(c) ADDITIONAL REQUIREMENTS FOR GRANTS.—Section 2603 (42 U.S.C. 300ff–13) is amended by adding at the end the following subsection:

"(c) COMPLIANCE WITH PRIORITIES OF HIV PLANNING COUNCIL.—Notwithstanding any other provision of this part, the Secretary, in carrying out section 2601(a), may not make any grant under subsection (a) or (b) to an eligible area unless the application submitted by such area under section 2605 for the grant involved demonstrates that the grants made under subsections (a) and (b) to the area for the preceding fiscal year (if any) were expended in accordance with the priorities applicable to such year that were established, pursuant to section 2602(b)(3)(A), by the planning council serving the area.".

SEC. 104. USE OF AMOUNTS.

Section 2604 (42 U.S.C. 300ff–14) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(A), by striking "including case management and comprehensive treatment services, for individuals" and inserting the following: "including HIV-related comprehensive treatment services (including treatment education and measures for the prevention and treatment of opportunistic infections), case management, and substance abuse treatment and mental health treatment, for individuals";

(B) in paragraph (2)(A)—

(i) by inserting after "nonprofit private entities," the following: "or private for-profit entities if such entities are the only available provider of quality HIV care in the area," ; and

(ii) by striking "and homeless health centers" and inserting "homeless health centers, substance abuse treatment programs, and mental health programs"; and

(C) by adding at the end the following paragraph:

"(3) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, the chief elected official of an eligible area shall use, of the grants made for the area under section 2601(a) for a fiscal year, not less than the percentage constituted by the ratio of the population in such area of infants, children, and women with acquired immune deficiency syndrome to the general population in such area of individuals with such syndrome, or 15 percent, whichever is less. In expending the funds reserved under the preceding sentence for a fiscal year, the chief elected official shall give priority to providing, for pregnant women, measures to prevent the perinatal transmission of HIV."; and

(2) in subsection (e), by adding at the end thereof the following sentence: "In the case of entities to which such officer allocates amounts received by the officer under the grant, the officer shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).".

SEC. 105. APPLICATION.

Section 2605 (42 U.S.C. 300ff–15) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(B), by striking "1-year period" and all that follows through "eligible area" and inserting "preceding fiscal year";

(B) in paragraph (4), by striking "and" at the end thereof;

(C) in paragraph (5), by striking the period at the end thereof and inserting "; and"; and

(D) by adding at the end thereof the following paragraph:

"(6) that the applicant will participate in the process for the statewide coordinated statement of need (where it has been initiated by the State), and will ensure that the services provided under the comprehensive plan are consistent with such statement.";

(2) in subsection (b)—

(A) in the subsection heading, by striking "ADDITIONAL"; and

(B) in the matter preceding paragraph (1), by striking "additional";

(3) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(4) by inserting after subsection (b), the following subsection:

"(c) SINGLE APPLICATION.—Upon the request of the chief elected official of an eligible area, the Secretary may authorize the official to submit a single application through which the official simultaneously requests a grant pursuant to subsection (a) of section 2603 and a grant pursuant to subsection (b) of such section. The Secretary may establish such criteria for carrying out this subsection as the Secretary determines to be appropriate.".

SEC. 106. TECHNICAL ASSISTANCE; PLANNING GRANTS.

Section 2606 (42 U.S.C. 300ff–16) is amended—

(1) by inserting before "The Administrator" the following: "(a) IN GENERAL.—";

(2) by striking "may, beginning" and all that follows through "title," and inserting "(referred to in this section as the 'Administrator') shall"; and

(3) by adding at the end the following subsection:

"(b) PLANNING GRANTS REGARDING INITIAL ELIGIBILITY FOR GRANTS.—

"(1) ADVANCE PAYMENTS ON FIRST-YEAR FORMULA GRANTS.—With respect to a fiscal year (referred to in this subsection as the 'planning year'), if a metropolitan area has not previously received a grant under section 2601 and the Administrator reasonably projects that the area will be eligible for such a grant for the subsequent fiscal year, the Administrator may make a grant for the planning year for the purpose of assisting the area in preparing for the responsibilities of the area in carrying out activities under this part.

"(2) REQUIREMENTS.—

"(A) IN GENERAL.—A grant under paragraph (1) for a planning year shall be made directly to the chief elected official of the city or urban county that administers the public health agency to which section 2602(a)(1) is projected to apply for purposes of such paragraph. The grant may not be made in an amount exceeding $75,000.

"(B) OFFSETTING REDUCTION IN FIRST FORMULA GRANT.—In the case of a metropolitan area that has received a grant under paragraph (1) for a planning year, the first grant made pursuant to section 2603(a) for such area shall be reduced by an amount equal to the amount of the grant under such paragraph for the planning year. With respect to amounts resulting from reductions under the preceding sentence for a fiscal year, the Secretary shall use such amounts to make grants under section 2603(a) for the fiscal year, subject to ensuring that none of such amounts are provided to any metropolitan area for which such a reduction was made for the fiscal year.

"(3) FUNDING.—Of the amounts available under section 2677 for a fiscal year for carrying out this part, the Administrator may reserve not more than 1 percent for making grants under paragraph (1).".

TITLE II—CARE GRANT PROGRAM

SEC. 201. GENERAL USE OF GRANTS.

Section 2612 (42 U.S.C. 300ff–22) is amended to read as follows:

"SEC. 2612. GENERAL USE OF GRANTS.

"(a) IN GENERAL.—A State may use amounts provided under grants made under this part for the following:

"(1) To provide the services described in section 2604(b)(1) for individuals with HIV disease.

"(2) To provide to such individuals treatments that in accordance with section 2616 have been determined to prolong life or prevent serious deterioration of health.

"(3) To provide home- and community-based care services for such individuals in accordance with section 2614.

"(4) To provide assistance to assure the continuity of health insurance coverage for such individuals in accordance with section 2615.

"(5) To establish and operate consortia under section 2613 within areas most affected by HIV disease, which consortia shall be designed to provide a comprehensive continuum of care to individuals and families with such disease in accordance with such section.

"(b) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, a State shall use, of the funds allocated under this part to the State for a fiscal year, not less than the percentage constituted by the ratio of the population in the State of infants, children, and women with acquired immune deficiency syndrome to the general population in the State of individuals with such syndrome, or 15 percent, whichever is less. In expending the funds reserved under the preceding sentence for a fiscal year, the State shall give priority to providing, for pregnant women, measures to prevent the perinatal transmission of HIV.".

SEC. 202. GRANTS TO ESTABLISH HIV CARE CONSORTIA.

Section 2613 (42 U.S.C. 300ff–23) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting "(or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area)" after "nonprofit private,"; and

(B) in paragraph (2)(A)—

(i) by inserting "substance abuse treatment, mental health treatment," after "nursing,"; and

(ii) by inserting after "monitoring," the following: "measures for the prevention and treatment of opportunistic infections, treatment education for patients (provided in the context of health care delivery),"; and

(2) in subsection (c)(2)—

(A) in clause (ii) of subparagraph (A), by striking "and" after the semicolon;

(B) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(C) by adding after subparagraph (B) the following subparagraph:

"(C) grantees under section 2671, or, if none are operating in the area, representatives in the area of organizations with a history of serving children, youth, women, and families living with HIV.".

SEC. 203. PROVISION OF TREATMENTS.

Section 2616(a) (42 U.S.C. 300ff–26(a)) is amended—

(1) by striking "may use amounts" and inserting "shall use a portion of the amounts";

(2) by striking "section 2612(a)(4)" and inserting "section 2612(a)(2)"; and

(3) by inserting before the period the following: ", including measures for the prevention and treatment of opportunistic infections".

SEC. 204. STATE APPLICATION.

Section 2617(b)(2) (42 U.S.C. 300ff–27(b)(2)) is amended—

(1) in subparagraph (A), by striking "and" after the semicolon;

(2) in subparagraph (B), by striking "and" after the semicolon; and

(3) by adding at the end thereof the following subparagraphs:

"(C) a description of the activities carried out by the State under section 2616; and

"(D) a description of how the allocation and utilization of resources are consistent with a statewide coordinated statement of need, developed in partnership with other grantees in the State that receive funding under this title and after consultation with individuals receiving services under this part.".

SEC. 205. ALLOCATION OF ASSISTANCE BY STATES; PLANNING, EVALUATION, AND ADMINISTRATION.

Section 2618(c) (42 U.S.C. 300ff–28(c)) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraphs (2) through (5) as paragraphs (1) through (4), respectively; and

(3) in paragraph (3) (as so redesignated), by adding at the end the following sentences: "In the case of entities to which the State allocates amounts received by the State under the grant (including consortia under section 2613), the State shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses). For purposes of the preceding sentence, the costs of establishing and operating consortia under section 2613 shall be considered administrative expenses.".

SEC. 206. TECHNICAL ASSISTANCE.

Section 2619 (42 U.S.C. 300ff–29) is amended by inserting before the period the following: ", including technical assistance for the development and implementation of statewide coordinated statements of need".

TITLE III—EARLY INTERVENTION SERVICES

SEC. 301. ESTABLISHMENT OF PROGRAM.

Section 2651(b) (42 U.S.C. 300ff–51(b)) is amended—

(1) in paragraph (1), by inserting before the period the following: ", and unless the applicant agrees to expend not less than 50 percent of the grant for such services that are specified in subparagraphs (B) through (E) of such paragraph"; and

(2) in paragraph (4), by inserting after "nonprofit private entities" the following: "(or private for-profit entities, if such entities are the only available providers of quality HIV care in the area)".

SEC. 302. MINIMUM QUALIFICATIONS OF GRANTEES.

Section 2652(b)(1)(B) (42 U.S.C. 300ff–52(b)(1)(B)) is amended by inserting after "nonprofit private entity" the following: "(or a private for-profit entity, if such an entity is the only available provider of quality HIV care in the area)".

SEC. 303. MISCELLANEOUS PROVISIONS; PLANNING AND DEVELOPMENT GRANTS.

Section 2654 (42 U.S.C. 300ff–54) is amended by adding at the end thereof the following subsection:

"(c) PLANNING AND DEVELOPMENT GRANTS.—

"(1) IN GENERAL.—The Secretary may provide planning grants, in an amount not to exceed $50,000 for each such grant, to public and nonprofit private entities for the purpose of enabling such entities to provide early intervention services.

"(2) REQUIREMENT.—The Secretary may award a grant to an entity under paragraph (1) only if the Secretary determines that the entity will use such grant to assist the entity in qualifying for a grant under section 2651.

"(3) PREFERENCE.—In awarding grants under paragraph (1), the Secretary shall give preference to entities that provide HIV primary care services in rural or underserved communities.

"(4) LIMITATION.—Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2655 may be used to carry out this section.".

SEC. 304. ADDITIONAL REQUIRED AGREEMENTS.

Section 2664(a)(1) (42 U.S.C. 300ff–64(a)(1)) is amended—

(1) in subparagraph (A), by striking "and" after the semicolon; and

(2) by adding at the end the following subparagraph:

"(C) evidence that the proposed program is consistent with the statewide coordinated statement of need and that the applicant will participate in the ongoing revision of such statement of need.".

SEC. 305. AUTHORIZATION OF APPROPRIATIONS.

Section 2655 (42 U.S.C. 300ff–55) is amended by striking "$75,000,000" and all that follows and inserting "such sums as may be necessary for each of the fiscal years 1996 through 2000.".

TITLE IV—GENERAL PROVISIONS

SEC. 401. COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, AND CHILDREN.

(a) IN GENERAL.—Section 2671 (42 U.S.C. 300ff–71) is amended—

(1) in subsection (a), by amending the subsection to read as follows:

"(a) IN GENERAL.—

"(1) PROGRAM OF GRANTS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and in consultation with the Director of the National Institutes of Health, shall make grants to public and nonprofit private entities that provide primary care (directly or through contracts) for the purpose of—

"(A) providing through such entities, in accordance with this section, opportunities for women, infants, and children to be participants in research of potential clinical benefit to individuals with HIV disease; and

"(B) providing to women, infants, and children health care on an outpatient basis.

"(2) PROVISIONS REGARDING PARTICIPATION IN RESEARCH.—With respect to the projects of research with which an applicant under paragraph (1) is concerned, the Secretary may not make a grant under such paragraph to the applicant unless the following conditions are met:

"(A) The applicant agrees to make reasonable efforts—

"(i) to identify which of the patients of the applicant are women, infants, and children who would be appropriate participants in the projects; and

"(ii) to offer women, infants, and children the opportunity to so participate (as appropriate), including the provision of services under subsection (f).

"(B) The applicant agrees that the applicant, and the projects of research, will comply with accepted standards of protection for human subjects (including the provision of written informed consent) who participate as subjects in clinical research.

"(C) For the third or subsequent fiscal year for which a grant under such paragraph is sought by the applicant, the Secretary has determined that—

"(i) a significant number of women, infants, and children who are patients of the applicant are participating in the projects (except to the extent this clause is waived under subsection (k)); and

"(ii) the applicant, and the projects of research, have complied with the standards referred to in subparagraph (B).

"(3) PROHIBITION.—Receipt of services by a patient shall not be conditioned upon the consent of the patient to participate in research.

"(4) CONSIDERATION BY SECRETARY OF CERTAIN CIRCUMSTANCES.—In administering the requirement of paragraph (2)(C)(i), the Secretary shall take into account circumstances in which a grantee under paragraph (1) is temporarily unable to comply with the requirement for reasons beyond the control of the grantee, and shall in such circumstances provide to the grantee a reasonable period of opportunity in which to reestablish compliance with the requirement.";

(2) in subsection (c), by amending the subsection to read as follows:

"(c) PROVISIONS REGARDING CONDUCT OF RESEARCH.—With respect to eligibility for a grant under subsection (a):

"(1) A project of research for which subjects are sought pursuant to such subsection may be conducted by the applicant for the grant, or by an entity with which the applicant has made arrangements for purposes of the grant. The grant may not be expended for the conduct of any project of research.

"(2) The grant may not be made unless the Secretary makes the following determinations:

"(A) The applicant or other entity (as the case may be under paragraph (1)) is appropriately qualified to conduct the project of research. An entity shall be considered to be so qualified if any research protocol of the entity has been recommended for funding under this Act pursuant to technical and scientific peer review through the National Institutes of Health.

"(B) The project of research is being conducted in accordance with a research protocol to which the Secretary gives priority regarding the prevention and treatment of HIV disease in women, infants, and children. After consultation with public and private entities that conduct such research, and with providers of services under this section and recipients of such services, the Secretary shall establish a list of such protocols that are appropriate for purposes of this section. The Secretary may give priority under this subparagraph to a research protocol that is not on such list.";

(3) by striking subsection (i);

(4) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively;

(5) by inserting after subsection (f) the following subsection:

"(g) ADDITIONAL PROVISIONS.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees as follows:

"(1) The applicant will coordinate activities under the grant with other providers of health care services under this Act, and under title V of the Social Security Act.

"(2) The applicant will participate in the statewide coordinated statement of need under part B (where it has been initiated by the State) and in revisions of such statement.";

(6) by redesignating subsection (j) as subsection (m); and

(7) by inserting before subsection (m) (as so redesignated) the following subsections:

"(j) COORDINATION WITH NATIONAL INSTITUTES OF HEALTH.—The Secretary shall develop and implement a plan that provides for the coordination of the activities of the National Institutes of Health with the activities carried out under this section. In carrying out the preceding sentence, the Secretary shall ensure that projects of research conducted or supported by such Institutes are made aware of applicants and grantees under this section, shall require that the projects, as appropriate, enter into arrangements for purposes of this section, and shall require that each project entering into such an arrangement inform the applicant or grantee under this section of the needs of the project for the participation of women, infants, and children.

"(k) TEMPORARY WAIVER REGARDING SIGNIFICANT PARTICIPATION.—

"(1) IN GENERAL.—In the case of an applicant under subsection (a) who received a grant under this section for fiscal year 1995, the Secretary may, subject to paragraph (2), provide to the applicant a waiver of the requirement of subsection (a)(2)(C)(i) if the Secretary determines that the applicant is making reasonable progress toward meeting the requirement.

"(2) TERMINATION OF AUTHORITY FOR WAIVERS.—The Secretary may not provide any waiver under paragraph (1) on or after October 1, 1998. Any such waiver provided prior to such date terminates on such date, or on such earlier date as the Secretary may specify.

"(l) TRAINING AND TECHNICAL ASSISTANCE.—Of the amounts appropriated under subsection (m) for a fiscal year, the Secretary may use not more than five percent to provide training and technical assistance to assist applicants and grantees under subsection (a) in complying with the requirements of this section.".

(b) CONFORMING AMENDMENTS.—Section 2671 (42 U.S.C. 300ff–71) is amended—

(1) in the heading for the section, by striking "**demonstration**" and all that follows and inserting "**coordinated services and access to research for women, infants, and children.**";

(2) in subsection (b), by striking "pediatric patients and pregnant women" and inserting "women, infants, and children"; and

(3) in each of subsections (d) through (f), by striking "pediatric", each place such term appears.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 2671 (42 U.S.C. 300ff–71) is amended in subsection (m) (as redesignated by subsection (a)(6)) by striking "there are" and all that follows and inserting the following: "there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000.".

SEC. 402. PROJECTS OF NATIONAL SIGNIFICANCE.

(a) IN GENERAL.—Part D of title XXVI (42 U.S.C. 300ff–71 et seq.) is amended by inserting after section 2673 the following section:

"SEC. 2673A. DEMONSTRATION PROJECTS OF NATIONAL SIGNIFICANCE.

"(a) IN GENERAL.—The Secretary shall make grants to public and nonprofit private entities (including community-based organizations and Indian tribes and tribal organizations) for the purpose of carrying out demonstration projects that provide for the care and treatment of individuals with HIV disease, and that—

"(1) assess the effectiveness of particular models for the care and treatment of individuals with such disease;

"(2) are of an innovative nature; and

"(3) have the potential to be replicated in similar localities, or nationally.

"(b) CERTAIN PROJECTS.—Demonstration projects under subsection (a) shall include the development and assessment of innovative models for the delivery of HIV services that are designed—

"(1) to address the needs of special populations (including individuals and families with HIV disease living in rural communities, adolescents with HIV disease, Native American individuals and families with HIV disease, homeless individuals and families with HIV disease, hemophiliacs with HIV disease, and incarcerated individuals with HIV disease); and

"(2) to ensure the ongoing availability of services for Native American communities to enable such communities to care for Native Americans with HIV disease.

"(c) COORDINATION.—The Secretary may not make a grant under this section unless the applicant submits evidence that the proposed program is consistent with the applicable statewide coordinated statement of need under part B, and the applicant agrees to participate in the ongoing revision process of such statement of need (where it has been initiated by the State).

"(d) REPLICATION.—The Secretary shall make information concerning successful models developed under this section available to grantees under this title for the purpose of coordination, replication, and integration.

"(e) FUNDING; ALLOCATION OF AMOUNTS.—

"(1) IN GENERAL.—Of the amounts available under this title for a fiscal year for each program specified in paragraph (2), the Secretary shall reserve 3 percent for making grants under subsection (a).

"(2) RELEVANT PROGRAMS.—The programs referred to in subsection (a) are the program under part A, the program under part B, the program under part C, the program under section 2671, the program under section 2672, and the program under section 2673.".

(b) STRIKING OF RELATED PROVISION.—Section 2618 (42 U.S.C. 300ff–28) is amended by striking subsection (a).

SEC. 403. SPECIAL TRAINING PROJECTS.

(a) TRANSFER OF PROGRAM.—The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) by transferring section 776 from the current placement of the section;

(2) by redesignating the section as section 2673B; and

(3) by inserting the section after section 2673A (as added by section 402(a)).

(b) MODIFICATIONS.—Section 2673B (as transferred and redesignated by subsection (a)) is amended—

(1) in subsection (a)(1)—

(A) by striking subparagraphs (B) and (C);

(B) by redesignating subparagraphs (A) and (D) as subparagraphs (B) and (C), respectively;

(C) by inserting before subparagraph (B) (as so redesignated) the following subparagraph:

"(A) to train health personnel, including practitioners in programs under this title and other community providers, in the diagnosis, treatment, and prevention of HIV disease, including the prevention of the perinatal transmission of the disease and including measures for the prevention and treatment of opportunistic infections;";

(D) in subparagraph (B) (as so redesignated), by adding "and" after the semicolon; and

(E) in subparagraph (C) (as so redesignated), by striking "curricula and";

(2) by striking subsection (c) and redesignating subsection (d) as subsection (c); and

(3) in subsection (c) (as so redesignated)—

(A) in paragraph (1)—

(i) by striking "is authorized" and inserting "are authorized"; and

(ii) by inserting before the period the following: ", and such sums as may be necessary for each of the fiscal years 1996 through 2000"; and

(B) in paragraph (2)—

(i) by striking "is authorized" and inserting "are authorized"; and

(ii) by inserting before the period the following: ", and such sums as may be necessary for each of the fiscal years 1996 through 2000".

SEC. 404. EVALUATIONS AND REPORTS.

Section 2674 (42 U.S.C. 300ff–74) is amended—

(1) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "not later than 1 year" and all that follows through "title," and inserting the following: "not later than October 1, 1996,";

(B) by striking paragraphs (1) through (3) and inserting the following paragraph:

"(1) evaluating the programs carried out under this title; and"; and

(C) by redesignating paragraph (4) as paragraph (2); and

(2) by adding at the end the following subsection:

"(d) ALLOCATION OF FUNDS.—The Secretary shall carry out this section with amounts available under section 241. Such amounts are in addition to any other amounts that are available to the Secretary for such purpose.".

SEC. 405. COORDINATION OF PROGRAM.

Section 2675 of the Public Health Service Act (42 U.S.C. 300ff–75) is amended by adding at the end the following subsection:

"(d) ANNUAL REPORT.—Not later than October 1, 1996, and annually thereafter, the Secretary shall submit to the appropriate committees of the Congress a report concerning coordination efforts under this title at the Federal, State, and local levels, including a statement of whether and to what extent there exist Federal barriers to integrating HIV-related programs.".

TITLE V—ADDITIONAL PROVISIONS

SEC. 501. AMOUNT OF EMERGENCY RELIEF GRANTS.

Paragraph (3) of section 2603(a) (42 U.S.C. 300ff–13(a)(3)) is amended to read as follows:

"(3) AMOUNT OF GRANT.—

"(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

"(i) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

"(ii) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas.

"(B) DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii), the term 'distribution factor' means the product of—

"(i) an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (C); and

"(ii) the cost index for the eligible area involved, as determined under subparagraph (D).

"(C) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

"(i) the number of cases of acquired immune deficiency syndrome in the eligible area during each year in the most recent 120-month period for which data are available with respect to all eligible areas, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

"(ii) with respect to—

"(I) the first year during such period, .06;
"(II) the second year during such period, .06;
"(III) the third year during such period, .08;
"(IV) the fourth year during such period, .10;
"(V) the fifth year during such period, .16;
"(VI) the sixth year during such period, .16;
"(VII) the seventh year during such period, .24;
"(VIII) the eighth year during such period, .40;
"(IX) the ninth year during such period, .57; and
"(X) the tenth year during such period, .88.

"(D) COST INDEX.—The amount determined in this subparagraph is an amount equal to the sum of—

"(i) the product of—

"(I) the average hospital wage index reported by hospitals in the eligible area involved under section 1886(d)(3)(E) of the Social Security Act for the 3-year period immediately preceding the year for which the grant is being awarded; and

"(II) .70; and

"(ii) .30.

"(E) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this paragraph, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.

"(F) PUERTO RICO, VIRGIN ISLANDS, GUAM.—For purposes of subparagraph (D), the cost index for an eligible area within Puerto Rico, the Virgin Islands, or Guam shall be 1.0.".

SEC. 502. AMOUNT OF CARE GRANTS.

Section 2618 (42 U.S.C. 300ff–28), as amended by section 402(b), is amended by striking subsection (b) and inserting the following subsections:

"(a) AMOUNT OF GRANT.—

"(1) IN GENERAL.—Subject to subsection (b) (relating to minimum grants), the amount of a grant under this part for a State for a fiscal year shall be the sum of—

"(A) the amount determined for the State under paragraph (2); and

"(B) the amount determined for the State under paragraph (4) (if applicable).

"(2) PRINCIPAL FORMULA GRANTS.—For purposes of paragraph (1)(A), the amount determined under this paragraph for a State for a fiscal year shall be the product of—

"(A) the amount available under section 2677 for carrying out this part, less the reservation of funds made in paragraph (4)(A) and less any other applicable reservation of funds authorized or required in this Act (which amount is subject to subsection (b)); and

"(B) the percentage constituted by the ratio of—

"(i) the distribution factor for the State; to

"(ii) the sum of the distribution factors for all States.

"(3) DISTRIBUTION FACTOR FOR PRINCIPAL FORMULA GRANTS.—For purposes of paragraph (2)(B), the term 'distribution factor' means the following, as applicable:

"(A) In the case of each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico, the product of—

"(i) the number of cases of acquired immune deficiency syndrome in the State, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data are available; and

"(ii) the cube root of the ratio (based on the most recent available data) of—

"(I) the average per capita income of individuals in the United States (including the territories); to

"(II) the average per capita income of individuals in the State.

"(B) In the case of a territory of the United States (other than the Commonwealth of Puerto Rico), the number of additional cases of such syndrome in the specific territory, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data is available.

"(4) SUPPLEMENTAL AMOUNTS FOR CERTAIN STATES.—For purposes of paragraph (1)(B), an amount shall be determined under this paragraph for each State that does not contain any metropolitan area whose chief elected official received a grant under part A for fiscal year 1996. The amount determined under this paragraph for such a State for a fiscal year shall be the product of—

"(A) an amount equal to 7 percent of the amount available under section 2677 for carrying out this part for the fiscal year (subject to subsection (b)); and

"(B) the percentage constituted by the ratio of—

"(i) the number of cases of acquired immune deficiency syndrome in the State (as determined under paragraph (3)(A)(i)); to

"(ii) the sum of the respective numbers determined under clause (i) for each State to which this paragraph applies.

"(5) DEFINITIONS.—For purposes of this subsection and subsection (b):

"(A) The term 'State' means each of the 50 States, the District of Columbia, and the territories of the United States.

"(B) The term 'territory of the United States' means each of the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the Republic of the Marshall Islands.

"(b) MINIMUM AMOUNT OF GRANT.—

"(1) IN GENERAL.—Subject to the extent of the amounts specified in paragraphs (2)(A) and (4)(A) of subsection (a), a grant under this part for a State for a fiscal year shall be the greater of—

"(A) the amount determined for the State under subsection (a); and

"(B) the amount applicable under paragraph (2) to the State.

"(2) APPLICABLE AMOUNT.—For purposes of paragraph (1)(B), the amount applicable under this paragraph for a fiscal year is the following:

"(A) In the case of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico—

"(i) $100,000, if it has less than 90 cases of acquired immune deficiency syndrome (as determined under subsection (a)(3)(A)(i)); and

"(ii) $250,000, if it has 90 or more such cases (as so determined).

"(B) In the case of each of the territories of the United States (other than the Commonwealth of Puerto Rico), $0.0.".

SEC. 503. CONSOLIDATION OF AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—Part D of title XXVI (42 U.S.C. 300ff–71) is amended by adding at the end thereof the following section:

"SEC. 2677. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—For the purpose of carrying out parts A and B, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000. Subject to section 2673A and to subsection (b), of the amount appropriated under this section for a fiscal year, the Secretary shall make available 64 percent of such amount to carry out part A and 36 percent of such amount to carry out part B.

"(b) DEVELOPMENT OF METHODOLOGY.—With respect to each of the fiscal years 1997 through 2000, the Secretary may develop and implement a methodology for adjusting the percentages referred to in subsection (a).".

(b) REPEALS.—Sections 2608 and 2620 (42 U.S.C. 300ff–18 and 300ff–30) are repealed.

(c) CONFORMING AMENDMENTS.—Section 2605(d)(1) (as redesignated by section 105(3)), is amended by striking "2608" and inserting "2677".

TITLE VI—EFFECTIVE DATE

SEC. 601. EFFECTIVE DATE.

This Act takes effect October 1, 1995.

PURPOSE AND SUMMARY

The purpose of H.R. 1872, as amended, is to reauthorize and revise the Ryan White CARE Act, a program of grants for the provision of primary health care and support services for people infected with the human immunodeficiency virus (HIV) and for those who have acquired immune deficiency syndrome (AIDS), the full-blown illness caused by HIV. Such services include outpatient health and medical services, as well as such ancillary services as continuation of private health insurance and home health care. H.R. 1872 extends the authority for this program for five years.

The legislation also makes changes in the formulas by which funds are allocated among cities eligible for assistance and among States (all of which are eligible for assistance). The legislation also clarifies the program to assist in AIDS research efforts for women and children through the provision of health and support services. In addition, the legislation makes minor changes to the program of early intervention services provided to Federally assisted primary care centers.

BACKGROUND AND NEED FOR LEGISLATION

AIDS is a collapse of the body's immune system that results in a wide variety of infections and cancers. While the acute stages of the disease are well described and generally recognized, these stages are the end of a spectrum of progressive illness caused by HIV. A person with HIV may have no immune decline, an immune decline accompanied by mild illnesses, or life-threatening conditions.

Because of research performed over the last decade, treatment is now available and recommended for use significantly before the onset of life-threatening conditions. While the ability of antiviral treatment to lengthen overall life-expectancy is debated, the life-improving and cost-saving aspects of pneumonia prevention, tuberculosis prevention, and prevention of other opportunistic infections are clear.

Eventually, however, it appears that most, if not all, people infected with HIV will become acutely ill and require therapeutic services. The Ryan White program, first authorized in 1990 and signed into law by President Bush, has provided significant Federal assistance to cities, States, and public clinics that have borne the brunt of much of AIDS service needs.

By providing such assistance, the Ryan White program has substantially advanced the Nation's health care service delivery for people with AIDS and HIV. The problem of hospital and emergency room overcrowding has been greatly alleviated by the establish-

ment of community care programs. The availability of prescription drugs has assisted many poor and near-poor Americans to stay healthy longer. The continuation of private health insurance has protected individuals from having to impoverish themselves to receive basic health care and has saved State Medicaid programs from needlessly financing people who can be maintained in private programs. Early intervention grants have allowed public clinics to provide AIDS counseling, testing, and therapeutic drugs to their patients without compromising basic primary care services. And the assistance for community programs that care for women and children has provided quality services and allowed research dollars for pediatric and maternal AIDS projects to go further.

By almost any measure, the program has been a success. After five years of experience and of change in the demographics of the epidemic, however, the program does require some realignment and redirection. Service dollars should be targeted to those areas with the highest need for caring for living people, not just those areas where AIDS was first evidenced in the U.S. Service dollars should be balanced more adequately between cities and States. The program should be more directed toward first serving basic needs of all people with HIV and then providing other important, but not vital, services. The clinical care financed should include research advances and new knowledge, such as the recent progress in using antiviral drugs to reduce perinatal infection.

Such legislative course corrections are essential to maintain a continually improving and successful program. Even as the epidemic continues, and expands primarily among the poor and the uninsured, and even as people with the disease live longer, available funds nonetheless will remain limited. In such circumstances, targeting of assistance will be more and more essential to assure that all people with HIV have basic needs met, whether they live in rural or urban areas, in high- or low-incidence areas, or are adults or children. Without a realistic approach to program changes, some areas will be unable to meet minimum requirements, leaving their residents vulnerable to preventable illness or without access to life-sustaining care. This legislation is intended to face these difficult problems and to address them prospectively and with pragmatism.

HEARINGS

The Subcommittee on Health and the Environment held two days of hearings on AIDS health care issues, including the Ryan White program (April 5, 1995 and May 11, 1995). Testimony at these hearings was received from 27 witnesses, including Members of Congress, representatives of the Administration, and representatives of health care professionals and persons served by the Ryan White program.

Testifying before the Subcommittee on April 5, 1995 were: The Honorable Steve Gunderson, Member of Congress, accompanied by: Mr. Matt Fletcher, former Minority Staff Director, Committee on Government Operations; The Honorable Thomas Barrett, Member of Congress; Mr. William Freeman, Executive Director, National Association of People with AIDS; Mr. Richard L. Tafel, Executive Director, Log Cabin Republicans; Ms. Wanda Lockhart, Gainesville,

Florida; The Honorable Philip R. Lee, MD, Assistant Secretary for Health, Department of Health and Human Services, accompanied by: Dr. Ciro Sumaya, Dr. Steve Bowen, and Dr. Eric Goosby; Mr. William Scanlon, Associate Director for Medicaid and, Intergovernmental Relations Health, Education and Human Services Division, General Accounting Office, NGB–HEHS, accompanied by: Mr. Jerry Fastrup; Mr. Shepherd Smith, Americans for a Sound AIDS/HIV Policy; Mr. Michael Weinstein, Executive Director, AIDS Health Care Foundation, representing The Campaign for Fairness; Mr. Harold Cox, Director, Client Services, AIDS Action Committee; Ms. Diana Jones-Ritter, Deputy Director, Office of Public Health, New York State, Department of Health, accompanied by: Dr. Nilsa Gutierrez, Director of the AIDS Institute; Mr. Mark Barnes, Executive Director, AIDS Action Council; Ms. Miguelina Maldonado, Director of Government Relations & Policy, National Minority AIDS Council; Dr. John Sleasman, Assistant Professor, Department of Pediatrics, University of Florida College of Medicine; Ms. Mildred Williamson, MSW, Administrator, Women and Children HIV Program, Cook County Hospital, representing the National AIDS Policy Center; Dr. Renslow Sherer, Director, Cook County HIV Primary Care Center; and Dr. Henry Cherrick, Dean, School of Dentistry, University of California at Los Angeles Center for Health Sciences, representing the American Association of Dental Schools.

Testifying before the Subcommittee on May 11, 1995 were: The Honorable Gary L. Ackerman, Member of Congress; The Honorable Connie Morella, Member of Congress; The Honorable Nancy Pelosi, Member of Congress; Dr. Helene D. Gayle, MPH, Associate Director, Centers for Disease Control, Washington, and Acting Director, National Center for Prevention Services; Dr. James Balsey, Chief of Pediatric Medicine Branch, Division of AIDS, (NIAID, NIH); Mr. W. Shepherd Smith, President, Americans for a Sound AIDS/HIV Policy; Dr. Charles M. van der Horst, Division of Infectious Diseases, University of North Carolina at Chapel Hill; Dr. Lewis Cooper, Pediatric Service, St. Lukes Roosevelt Hospital Center; Dr. Michael Mennuti, Chair, Committee on Obstetric Practice, American College of Obstetricians and Gynecologists; Ms. Miguelina Maldonado, Director of Government Relations and Policy, National Minority AIDS Council, representing the National Organizations Responding to AIDS; and Commissioner David Mulligan, Massachusetts Department of Public Health, representing the Association of State and Territorial Health Officials.

COMMITTEE CONSIDERATION

On June 14, 1995, the Subcommittee on Health and Environment met in open session and considered a Subcommittee Print. The Subcommittee approved the introduction of a clean bill for Full Committee consideration by a unanimous voice vote, a quorum being present. H.R. 1872 was introduced in the House as a clean bill on June 16, 1995. On July 13, 1995, the Committee met in open session and ordered reported the bill H.R. 1872, as amended, by a roll call vote of 41 to 0, a quorum being present.

ROLLCALL VOTES

Pursuant to clause 2(l)(2)(B) of rule XI of the Rules of the House of Representatives, following are listed the recorded votes on the motion to report H.R. 1872 and on amendments offered to the measure, including the names of those Members voting for and against.

ROLLCALL VOTE NO. 56

Bill: H.R. 1872, Ryan White CARE Act Amendments of 1995.
Quorum call: 24 Members answered present.

Representative	Aye	Nay	Present	Representative	Aye	Nay	Present
Mr. Bliley			X	Mr. Dingell			X
Mr. Moorhead				Mr. Waxman			
Mr. Fields				Mr. Markey			
Mr. Oxley				Mr. Tauzin			
Mr. Bilirakis			X	Mr. Wyden			X
Mr. Schaefer			X	Mr. Hall			
Mr. Barton				Mr. Bryant			
Mr. Hastert			X	Mr. Boucher			
Mr. Upton				Mr. Manton			
Mr. Stearns			X	Mr. Towns			
Mr. Paxon				Mr. Studds			X
Mr. Gillmor				Mr. Pallone			X
Mr. Klug				Mr. Brown			X
Mr. Franks			X	Mrs. Lincoln			X
Mr. Greenwood			X	Mr. Gordon			
Mr. Crapo			X	Ms. Furse			X
Mr. Cox				Mr. Deutsch			
Mr. Deal				Mr. Rush			
Mr. Burr			X	Ms. Eshoo			X
Mr. Bilbray			X	Mr. Klink			X
Mr. Whitfield			X	Mr. Stupak			X
Mr. Ganske			X				
Mr. Frisa							
Mr. Norwood							
Mr. White			X				
Mr. Coburn			X				

ROLLCALL VOTE NO. 57

Bill: H.R. 1872, Ryan White CARE Act Amendments of 1995.
Motion: Motion by Mr. Bilirakis to order H.R. 1872 reported to the House, as amended.
Disposition: AGREED TO, by a roll call vote of 41 ayes to 0 nays.

Representative	Aye	Nay	Pesent	Representative	Aye	Nay	Present
Mr. Bliley	X			Mr. Dingell	X		
Mr. Moorhead	X			Mr. Waxman	X		
Mr. Fields				Mr. Markey	X		
Mr. Oxley				Mr. Tauzin			
Mr. Bilirakis	X			Mr. Wyden	X		
Mr. Schaefer	X			Mr. Hall	X		
Mr. Barton	X			Mr. Bryant			
Mr. Hastert	X			Mr. Boucher	X		
Mr. Upton	X			Mr. Manton	X		
Mr. Stearns	X			Mr. Towns	X		
Mr. Paxon	X			Mr. Studds	X		
Mr. Gillmor	X			Mr. Pallone	X		
Mr. Klug	X			Mr. Brown	X		
Mr. Franks	X			Mrs. Lincoln	X		
Mr. Greenwood	X			Mr. Gordon	X		

Representative	Aye	Nay	Pesent	Representative	Aye	Nay	Present
Mr. Crapo				Ms. Furse	X		
Mr. Cox	X			Mr. Deutsch	X		
Mr. Deal	X			Mr. Rush	X		
Mr. Burr	X			Ms. Eshoo	X		
Mr. Bilbray	X			Mr. Klink	X		
Mr. Whitfield	X			Mr. Stupak	X		
Mr. Ganske	X						
Mr. Frisa	X						
Mr. Norwood							
Mr. White	X						
Mr. Coburn	X						

VOICE VOTES

Bill: H.R. 1872, Ryan White CARE Act Amendments of 1995.

Amendment: Amendment by Mr. Bilirakis re: technical corrections.

Disposition: Agreed to, by a voice vote.

Amendment: Amendment by Mr. Deutsch re: strike Medicare wage index from Title I and direct the Secretary of HHS to conduct a study of allocation formulas.

Disposition: Withdrawn, by unanimous consent.

Amendment: Amendment by Mr. Burr re: amend funding inequities with respect to rural areas.

Disposition: Withdrawn, by unanimous consent.

Amendment: Amendment by Mr. Coburn re: HIV testing of women and infants.

Disposition: Withdrawn, by unanimous consent.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, the Subcommittee on Health and Environment held oversight and legislative hearings and made findings that are reflected in this report.

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

Pursuant to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, no oversight findings have been submitted to the Committee by the Committee on Government Reform and Oversight.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to Section 403 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives, following is the cost estimate provided by the Congressional Budget Office pursuant to Section 403 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 15, 1995.

Hon. THOMAS J. BLILEY, JR.,
Chairman, Committee on Commerce,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1872, the Ryan White CARE Act Amendments of 1995. This revised estimate incorporates newly obtained information regarding past funding levels for certain provisions of the Ryan White CARE Act of 1990. It updates CBO's previous estimate of August 4, 1995.

Enacting H.R. 1872 would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill, Director.)

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 1872.

2. Bill title: The Ryan White CARE Act Amendments of 1995.

3. Bill status: As ordered reported by the House Committee on Commerce on June 16, 1995.

4. Bill purpose: H.R. 1872 would reauthorize various programs established pursuant to the Ryan White CARE Act of 1990. The bill would also change requirements for some of these programs.

5. Estimated cost to the Federal Government: Because the bill does not authorize specific amounts, the following table summarizes the estimated authorizations and outlays that would result from this bill under two different sets of assumptions. The first set of assumptions accounts for the program changes proposed in the bill and adjusts the estimated amounts for projected inflation after 1995. The second set of assumptions makes no allowance for projected inflation.

[By fiscal year, in millions of dollars]

	Projected Under H.R. 1872					
	1995 [1]	1996	1997	1998	1999	2000
Estimated Authorizations of Appropriations—assuming program changes and adjustments for projected inflation:						
Emergency Relief	357	368	381	395	409	423
CARE Grants	198	185	192	198	205	212
Early Intervention Grants	52	54	56	58	60	62
Grants for Coordinated Services	26	27	28	29	30	31
AIDS Education and Training	23	24	25	26	27	28
Demonstration Projects of National Significance	([2])	19	20	20	21	22
Total Estimated Authorizations	656	677	701	726	751	778
Total Estimated Outlays	605	661	686	710	735	761
Estimated Authorizations of Appropriations—assuming continued funding at the 1995 level, adjusted for program changes:						
Total Estimated Authorizations	656	657	657	657	657	657

[By fiscal year, in millions of dollars]

	Projected Under H.R. 1872					
	1995 [1]	1996	1997	1998	1999	2000
Total Estimated Outlays	605	651	657	657	657	657

[1] Authorization amounts in this column are actual appropriations for fiscal year 1995.
[2] Demonstration Projects authorization amount for 1995 is included in the CARE grants total.
Notes: Details may not add to totals because of rounding.

The costs of this bill fall within budget function 550.

6. Basis of estimate: H.R. 1872 reauthorizes funding for Ryan White CARE Act programs at such sums as may be necessary for fiscal years 1996 through 2000. Because H.R. 1872 changes the requirements for some of these programs, CBO estimated the funding changes that would be necessary to meet the bill's requirements.

Emergency Relief Grants.—H.R. 1872 would limit eligibility for emergency relief grants to metropolitan areas with populations over 500,000 residents. It would also restrict grant eligibility to cities with a cumulative five-year total of more than 2,000 AIDS cases. The Department of Health and Human Services states that these limitations would prevent growth in the number of eligible grantees. However, cities designated as eligible areas in fiscal year 1996 will retain their eligibility in future years, even if their population or cumulative number of AIDS cases falls below these minimum levels.

The estimated authorization levels in the above table are based on the 1995 appropriation of $357 million. If appropriations are increased to reflect projected inflation, estimated authorization amounts would increase to $368 million in fiscal year 1996 and $423 million in fiscal year 2000.

CARE Grants.—The bill would reauthorize and implement several changes to the program that provides grants for the operation of HIV service delivery consortia under Title II of the Ryan White CARE Act. CBO calculated the authorization levels by adjusting the amount appropriated for fiscal year 1995, $198 million, for the effects of changes the bill would make to the current program. These changes are detailed below. Accounting for all of these changes, and assuming that appropriations are increased to reflect projected inflation, CBO estimates authorization amounts for Title II programs at $185 million in fiscal year 1996, rising to $212 million in fiscal year 2000.

H.R. 1872 would remove the authorization for Special Projects of National Significance under Title II. Currently, this program is authorized at a maximum of 10 percent of Title II funding; over the past two years, it has been funded at an average of 10 percent of Title II funding. CBO estimated the decrease in authorization amounts that would result from removal of this program by applying the average percentage to estimated Title II authorization levels for fiscal year 1995. The estimated reduction resulting from this program change would be $20 million. Assuming adjustments to reflect projected inflation, CBO projects $184 million in authorizations for fiscal year 1996 and $211 million for fiscal year 2000.

The bill would also increase the minimum grant amount that states are awarded under Title II. States with fewer than 90 cases of AIDS in a given fiscal year would receive a minimum of

$100,000 in Title II grant money; states with 90 or more cases of AIDS in a given fiscal year would be awarded a minimum grant of $250,000. While these grant floors also apply to the District of Columbia, they are not applicable to U.S. territories, with the exception of Puerto Rico. CBO estimates that an additional $1 million would be required to fulfill this minimum grant requirement for fiscal years 1996–2000.

Early Intervention Grants.—H.R. 1872 would also reauthorize early intervention grants at such sums as may be necessary for fiscal years 1996 through 2000. The estimated authorization amounts in the table above are based on the 1995 appropriation of $52 million. Assuming that appropriations are increased to reflect projected inflation, CBO calculated that authorization amounts would range from $54 million in fiscal year 1996 to $62 million in fiscal year 2000.

Coordinated Services and Access to Research.—Grants to coordinate systems of care for women and children would be reauthorized at such sums as may be necessary for fiscal years 1996 through 2000. The estimated authorization levels in the above table are based on the 1995 appropriation of $26 million. Assuming that appropriations increase with projected inflation, estimated authorization amounts would grow to $27 million in fiscal year 1996, and to $31 million in fiscal year 2000.

Special Training Projects.—H.R. 1872 would incorporate into the Ryan White Act section 776 of the Public Health Service Act, which authorizes funds for training programs for health practitioners who treat HIV-positive individuals. The estimated authorization amounts in the table above are based on the 1995 appropriation of $23 million. Assuming that appropriations increase to compensate for projected inflation, estimated authorization amounts would rise to $24 million in fiscal year 1996, and $28 million in fiscal year 2000.

Demonstration Projects of National Significance.—The bill would authorize funding for demonstration projects to assess the effectiveness of models for the treatment and care of HIV-infected individuals. Particular emphasis is placed on programs serving specific populations of HIV-infected individuals, such as the homeless, Native Americans, and prison inmates. These projects would be funded by a three percent set-aside of the total amounts available for Emergency Relief Grants (Title I), CARE Grants (Title II), Early Intervention Grants (Title III), and Grants for Coordinated Services and Access to Research (section 2671 of the Public Health Service Act), as amended by H.R. 1872. Under the assumption that appropriations are increased to reflect projected inflation, CBO calculates authorization levels of $19 million for fiscal year 1996, and $22 million for fiscal year 2000.

This estimate assumes that all authorizations are fully appropriated at the beginning of each fiscal year. Outlays are estimated using spending rates computed by CBO on the basis of recent program data.

7. Pay-as-you-go considerations: None.

8. Estimated cost to State and local governments: The Ryan White Act requires states that receive funding under Titles II and III of the act to provide nonfederal matching contributions and

specifies the amount of such contributions. Nonfederal funds could come from state and local governments.

9. Estimate comparison: None.

10. Previous CBO estimate: On August 4, 1995, CBO prepared a cost estimate of H.R. 1872. This estimate has been revised to reflect newly obtained information regarding funding levels for Special Projects of National Significance. On April 3, 1995, CBO prepared a cost estimate for S. 641, a similar bill ordered reported by the Senate Committee on Labor and Human Resources on March 29, 1995.

11. Estimate prepared by: Anne Hunt.

12. Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of Section 5(b) of the Federal Advisory Committee Act were created by this legislation.

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee finds that the bill would have no inflationary impact.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 establishes the short title of the Act to be the Ryan White CARE Act Amendments of 1995.

Section 2. References

Section 2 establishes that all references are to the Public Health Service Act.

TITLE I—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

Section 101. Establishment of program of grants

Section 101 makes modifications in the criteria for determination of areas eligible for assistance under Part A of the Ryan White Program, Formula Grants to Eligible Metropolitan Areas (EMAs). Under current law, any metropolitan area is eligible if it has reported (and the Centers for Disease Control and Prevention (CDC) has confirmed) 2,000 cases of AIDS, no matter when the cases were reported. In addition, areas are eligible if the per capita incidence of cumulative cases of AIDS is not less than 0.0025.

Section 101 revises these criteria to provide that eligibility is established only if a metropolitan area has reported (and CDC has confirmed) 2,000 cases of AIDS in the most recent five years. In addition, eligibility is limited to those areas with a population of 500,000 or more. These new limitations of eligibility are prospective only, and the legislation makes clear that a metropolitan area eligible for 1996 will retain that eligibility.

These changes have been made to target the limited funds available for Title I grants more accurately. Over the past five years of

the program, it has become clear that the AIDS epidemic is emerging as a serious problem in many cities and counties that were only mildly affected by the disease in 1990. In addition, the artifact of the per capita incidence eligibility has produced some unexpected eligibility for areas that have a small number of people with AIDS. The new limitations imposed on eligibility will allow funds to be directed toward areas that are experiencing an immediate need for primary health care services for people living with AIDS.

Section 102. HIV Health Services Planning Council

Section 102 modifies the provisions of current law regarding the HIV health services planning council. Under current law, the planning council is made up of a wide variety of community representatives and establishes priorities for the allocation of funds, develops a plan for the organization and delivery of health services, and assesses the efficiency of the allocation of funds.

Section 102 would ensure representation of several additional professionals and agencies not currently required. These new members (who already are serving on planning councils in many areas) would include representatives of Federally qualified health centers (such as Community and Migrant Health Centers and other Federally assisted primary care clinics), providers of substance abuse services, historically underserved groups, the State Medicaid agency, the State agency administering the State Ryan White programs (described below), grantees under Section 2671 (the program for coordinated services and access to research for women, infants, and children, described below), and grantees under other HIV-related Federal programs (such as AIDS research programs (both in the community and in research sites), prevention programs, AIDS professional training programs, and tuberculosis control programs). The council's composition is also intended to reflect the demographics of the epidemic in the area involved.

This section also makes changes in the duties of the planning council. In establishing priorities for the allocation of funds, the planning council is to base its actions on the documented needs of people with HIV, the cost and outcome effectiveness of proposed strategies and interventions, the priorities of the communities involved, and the availability of other resources (both governmental and private). The council is also to assess the effectiveness of the services offered in meeting identified needs, participate in the development of the Statewide coordinated statement of need (described below), and conduct public meetings to obtain input on community needs.

The Committee intends these clarifications to ensure that planning councils work to ensure that basic services (such as infection preventing drugs and physician care) are provided to all persons in the area before funds are expended to provide supplemental and support services (such as ancillary health services or support services not directly related to health care or basic needs). While it has been suggested that the Committee act to narrow the range of services eligible for funding to those that are purely primary care in nature (including prescription drugs), the Committee has refrained from doing so, recognizing that service needs do vary from location to location. (Transportation services, for instance, may be of a sec-

ondary priority in areas with strong mass transit systems but may be a necessary basic service in areas in which mass transit is limited.) The Committee has, therefore, continued to rely on community planning councils to set local priorities. However, the Committee expects the Department of Health and Human Services (HHS) to ensure that planning councils receive guidance on what should be considered basic services and receive clear direction that basic, cost-effective services for low-income and uninsured people in need of HIV care are to be addressed before less vital services or services for more affluent or insured people are given priority or funded.

Section 102 also places conflict of interest restrictions on members of planning councils. Under the terms of the bill, the planning council may not be directly involved in the administration of a grant, nor may it designate or be involved in the selection of particular entities as recipients of amounts provided under the grant. Individual members of the planning councils are also required to recuse themselves from any matter regarding an entity in which the individual has a financial interest or by which the individual is employed.

Conflicts of interest and appearances of conflicts of interest have been anecdotally reported to the Committee. The Committee has added these provisions to assure that planning councils will be acting clearly in the public interest. The Committee does not intend that members of planning councils be excluded from providing their individual unique expertise to project review activities, when such review would be less effective or appropriate without this experience, so long as no individual is involved in a review that deals with a program, organization, or agency in which he or she has an interest. Where a planning council member participates in a review, however, that individual may not participate in the actual decision regarding the selection of a grantee or sub-grantee or contractors. Further, the Committee emphasizes that it expects such restrictions to be applied, through an area's own conflict of interest requirements, to representatives or employees of public agencies, where decisions about allocation of grant funds would affect their own agencies or programs.

Section 103. Type and distribution of grants

Section 103 makes changes in the method of allocating formula grants, provides for a maximum amount by which grants may be reduced, and sets priorities for the review and approval of supplemental grants. Section 103 also prohibits the Secretary of HHS from making any formula or supplemental grant unless the application demonstrates that funds awarded for the previous year were expended in accordance with the priorities established by the planning council.

Formula grants under the legislation will change incrementally from current distribution. The combination of factors specified in eligibility (such as the elimination of prevalence eligibility, the limitation of cases eligible for inclusion to those occurring within the last five years, and the limitation of awards to those areas with populations over 500,000), work to make awards to cities more commensurate with the current severe needs, but they also result in reductions for some cities. Therefore, the Committee has in-

cluded a special protection providing for a limitation on the reduction in a grant. The Committee has done so in recognition of the transition period that may be needed for these incremental reductions. The Committee does not intend that these limitations freeze current programs in an area, but rather address overall spending; areas that are protected by the provisions limiting loss nonetheless are expected to review their programs and services to assure that they address basic needs first and meet the criteria of the planning process.

In the program of supplemental grants to eligible areas, the legislation makes a series of technical amendments and also requires that the area's application demonstrate the manner in which proposed services are consistent with State and local needs assessments. The legislation also provides a series of factors to be given priority consideration in awarding supplemental grants. These factors include the relative prevalence of sexually transmitted diseases, drug abuse, tuberculosis, and mental illness among HIV-infected individuals in the area; subpopulations with HIV disease that were previously unknown in the area; and homelessness. The Committee intends these factors to be used to direct funds at areas that are hardest hit by the AIDS epidemic. These factors are intended to be used as indicators of severe need, not as a mandate for coverage of services for these conditions. Funds provided under the Ryan White CARE Act are to be used to provide HIV/AIDS-related services. Treatment for the conditions listed should be provided only in conjunction with providing other health care services to individuals with HIV/AIDS. In some years, the award of supplemental grants has appeared to follow in lockstep the award of formula grants. The Committee emphasizes that this was not the original intention of this program nor its intention in this reauthorization. Supplemental grants are intended to be awarded to areas with especially severe need for basic services and to areas that demonstrate that funding will be particularly well used for basic care. Competitive project grant review is necessary to address these needs and take advantage of these opportunities.

Finally, Section 103 makes subsequent funding of formula and supplemental grants contingent on an area demonstrating that previous funds have been used in accordance with priorities established by the planning council. This provision supplements current law in Section 2604(a), in which the area's chief elected official (to whom funds are paid) must agree prospectively that funds will be used according to the priorities established by the planning council; the addition made by the legislation provides an enforcement mechanism to be used retrospectively as well. The Committee is disturbed by reports that in some cases plans have been developed but never implemented and funds have been spent in ways not contemplated by the plan. Again, since funds are so limited and the need for basic services is so great, the Committee feels it necessary to require that all activities be planned and coordinated.

Section 104. Use of amounts

Section 104 makes changes in the general provisions regarding use of funds. These changes include clarification of services to be funded; expansion of the type of entities that may be funded; an

establishment of a priority for services for women, infants, and children; and a limitation on administrative costs.

The first part of Section 104 clarifies that services to be funded include delivery and enhancement of HIV-related treatment education and measures for the prevention and treatment of opportunistic infections, as well as substance abuse treatment and mental health treatment. Although many areas are already providing these basic services under the rubric of outpatient health services, the Committee has added this clarification to emphasize that basic primary care services are to be addressed in their entirety. The Committee has received reports of disproportionate and duplicative use of case management services in lieu of more generally needed primary care services, and, although the Committee has retained case management as an eligible use of funds, it expects HHS and local planning councils to assure that spending goes toward delivery and enhancement of true health services and not simply to case management and social services.

The second part of Section 104 allows local areas to use funds to provide services through private, for-profit entities if such entities are the only available providers of quality care. The Committee recognizes that private practitioners often provide the best care in an area and has made this change to allow local planning councils flexibility in choosing providers. The Committee notes, however, that all conflict of interest provisions apply fully to for-profit providers and also expects HHS and the planning councils to assure that charges and fees are appropriate.

In addition, this part specifically adds substance abuse treatment programs and mental health programs to the catalogue of entities eligible for funding.

The third part of Section 104 establishes a priority on services for women, infants, and children. A similar priority has been in place in current law for States (discussed below). The chief elected official of the area is required to allocate a minimum amount of the area's funding for services for these populations. The minimum amount is designated as the proportion of an area's AIDS cases made up of women, infants, and children, or 15 percent of overall funding, whichever is less. The elected official is also to give priority in the expenditure of these funds to measures to prevent perinatal transmission of HIV. For purposes of this calculation, the Committee intends the term "children" to include persons under the age of 21 and for the calculation to include only those cases of the previous five years, as described in Section 2601 (discussed above). Although the bill directs the chief elected official to use the funds for this purpose, the requirement should be incorporated by the planning council of each city in determining priorities for services and how funds should be allocated.

The Committee emphasizes that the minimum amount established by this section is in no way to be construed as a maximum on how much a planning council may spend on these populations. If a local area's caseload of women and children is, for example, 10 percent, it must at a minimum devote 10 percent of its funding to this group, but it may devote much larger amounts if it chooses; similarly, if an area's caseload of women and children is 30 percent, it must at a minimum devote 15 percent of its funding to this

group, but it may devote a proportionate amount or much larger amounts if it chooses. The Committee has selected a minimum and not a strictly proportionate amount to allow local areas some flexibility while assuring that these newest groups of HIV-infected people are not neglected. The Committee expects planning councils to devote appropriate amounts of funding as part of the planning council process that recognizes the relative needs of the community served.

The Committee has designated a local priority for services to prevent perinatal transmission because of the great promise of recent research developments in this area. The findings of the National Institutes of Health's (NIH) 076 trial have demonstrated the first pharmaceutical intervention to prevent infection in the baby of an HIV-infected woman if AZT is taken during pregnancy; these findings provide hope for significantly reducing the number of cases of pediatric AIDS. While the Committee has allowed local planning councils to designate other services for women, infants, and children to fulfill its percentage priority for such populations, the Committee emphasizes that, in terms of compassion, human costs, and health care spending, such primary prevention of perinatal transmission is a very important opportunity.

The fourth part of Section 104 establishes a flexible cap on administrative costs. The local area may allow funded entities varying amounts of administrative cost spending so long as the aggregate amount that is spent for non-service purposes (by the local area and all of its contractors and subcontractors) is limited to no more than 10 percent of the funding to the area. The Committee has been very disturbed by reports of high administrative costs in some programs and instructs HHS to assure that such diversion of funds from health services does not recur; when funds are necessarily limited, large overhead costs serve to ration care unnecessarily. The Committee recognizes, however, that some entities (especially new ones or entities serving populations that have been historically underserved or are difficult to treat) have disproportionately high administrative costs. Rather than attempting a one-size-fits-all solution to such specific problems, the Committee has allowed local areas to allocate administrative costs flexibly but within a limited range. The Committee emphasizes that any area that can restrain administrative costs to less than 10 percent should do so and that the set amount should be regarded as a ceiling, not a floor.

Section 105. Application

Section 105 makes changes in the assurances necessary for funding and provides flexibility to local areas to submit a single application for both formula and supplementary grants.

The first substantive change in Section 105 is a modification in the requirements of current law regarding maintenance of effort on the part of the eligible area. Current law provides that an eligible area must maintain levels of expenditures equal to those of the year preceding the first fiscal year for which it received a grant (*e.g.*, if a city first received a grant in FY 93, the maintenance of effort required would be the amount expended during FY 92). The

bill provides that the maintenance of effort be based on the updated level of spending in the most recent fiscal year.

The second provision requires that the applicant assure that it will participate in the Statewide coordinated statement of need (where it has been initiated by the State) and will ensure that its services are consistent with that statement. This provision was included to emphasize the need to reduce duplication in services, improve coordination of services, and assure that basic services for all persons with HIV are provided at an equitable level. While allowing States flexibility and thus not mandating development of an annual statewide coordinated statement of need, the Committee encourages States to initiate such a process.

The final provision of Section 105 authorizes the Secretary of HHS to allow an area to submit a single application, simultaneously requesting formula and supplementary grants. This provision is added to allow for lower administrative costs, thus making more funds available for services.

Section 106. Technical assistance; planning grants

Section 106 creates a new authority for planning grants to areas that have not received funding under this program before and that, on the basis of the eligibility criteria discussed above, are expected to receive funding in the next fiscal year. These planning grants are limited to a maximum of $75,000 and are to be offset from funds awarded to the area for services in the subsequent year. The total funding level for planning grants is limited to an overall level of one percent of funds under this part.

The Committee has created this planning grant authority in recognition of the difficulty a local area may have in preparing to provide services on first receiving funding. Rather than delaying the beginning of basic health care services and perhaps needlessly raising administrative costs, the area can use the year preceding its first grant year to plan, organize, and prepare for service delivery. This authority will result in no increased spending, inasmuch as the Committee has required that there be an offset against funding to the area in the subsequent year.

TITLE II—CARE GRANT PROGRAM

Section 201. General use of grants

Section 201 makes changes in the general use of grants under Title II of the Ryan White program, formula grants to States. The first change is to make clear that States may use these funds to provide the broad range of services that local areas may provide under Title I. This provision is added to increase State flexibility, not to displace the locally planned allocation of services between cities and States or to duplicate such services. As described above, the Committee has required that local areas participate in Statewide coordinated planning and expects that efforts will be made to assure that basic health care services are made available across the State through thoughtful combinations of Title I and Title II funds.

In addition, Section 201 continues a priority for services for women, infants, and children. As for the identical provision as applied to funds for local areas, the priority requires that the State

use a minimum amount of the State's funding for these populations. The minimum amount is designated as the proportion of a State's AIDS cases that are made up of women, infants, and children, or 15 percent of overall funding, whichever is less. The State is also to give priority in the expenditure of these funds to measures to prevent perinatal transmission of HIV. For purposes of this calculation, the Committee intends the term "children" to include persons under the age of 21 and for the calculation to include only those cases of the previous two years, as described in Section 2618 of current law.

As explained with respect to Title I funding, the Committee emphasizes that the minimum amount established by this section is not to be construed as a maximum on how much a State may spend on these populations. The Committee intends to allow States some flexibility while assuring that these populations are not neglected. The Committee anticipates that, in general, States will devote appropriate amounts of funding as part of the planning process that recognizes the relative need of the State's residents.

As for funding to local areas, the Committee has designated a State priority for services to prevent perinatal transmission, although States may designate other services for women, infants, and children to fulfill its percentage priority for such populations. Again, the Committee emphasizes that primary prevention of perinatal transmission is a very important opportunity.

Section 202. Grants to establish HIV care consortia

Section 202 makes minor changes in the provisions of current law regarding the establishment of HIV care consortia. This section makes private, for-profit providers eligible for funding (as discussed above at Section 104), adds substance abuse treatment and mental health treatment to the list of services that may be included (as discussed above at Section 104), emphasizes the provision of measures for the prevention and treatment of opportunistic infections (as discussed above at Section 104), and adds grantees under Section 2671 to the list of entities with which a consortium is to consult in establishing its plan.

Section 203. Provision of treatments

Section 203 makes changes in how States may use funds under Title II to provide treatments that have been determined to prolong life or prevent the serious deterioration of health from HIV disease. Current law has authorized States to provide prescription drugs to people afflicted with HIV who are low-income, as defined by the State. The bill, first, requires that all States devote a portion of their grants to these purposes; secondly, it emphasizes that the use of measures for the prevention and treatment of opportunistic infections is an allowable use of funds.

In light of the significant improvements in drugs to prevent opportunistic infections (discussed above in Background for Legislation), the life-improving and cost-saving nature of early intervention is clear. Moreover, it is now clear that a range of antiviral drugs can be used for this purpose, and that such drugs can prevent perinatal transmission of HIV. The Committee has required all States to devote some portion of their Federal funds to these

purposes in recognition of the basic primary care value that these drugs now have. Recognizing that funds for HIV health care services will become increasingly limited, the Committee renews its emphasis on making essential services, such as prescription drugs, available to all who need them before important but non-essential services are provided. As discussed below at Section 205, the Committee has freed States from some measures to which they were previously required to adhere; the Committee has done so to free funds for States to improve the range of preventive and therapeutic drugs that are provided under this section and to make improvements in access to these drugs. The Committee understands that the Secretary, through the Health Resources and Services Administration (HRSA), has initiated a process to identify a formulary for drugs provided under this program, and encourages the States to participate in this process.

Section 204. State application

Section 204 makes changes in the standard for State applications. This section requires that States include a description of the activities carried out under the program of provision of treatments (described above at Section 203) and a description of how the allocation and utilization of resources are consistent with the State's assessment of needs and are developed in coordination with other grantees in the State.

Section 205. Allocation of assistance by States; planning, evaluation, and administration

Section 205 eliminates an existing requirement (Section 2618(c)) that States with more than one percent of the cases of AIDS in the Nation spend half of their grants under this part for the establishment and operation of consortia. States are still allowed to perform such activities with grant funds but they are not required to do so. As discussed above, the Committee has taken this action to free States to provide basic care, early intervention, and prescription drugs to as many persons with HIV in the State as possible.

Second, under Section 205, as described in Section 104, the administrative costs of a State and all of its contractors and subcontractors are limited to an aggregate of 10 percent of the grant. The Committee has been disturbed by reports of high administrative costs in some programs and instructs HHS to assure that such diversion of funds from health services does not recur; when funds are necessarily limited, large overhead costs serve to ration care unnecessarily. The Committee recognizes, however, that some entities (especially new ones or entities serving populations that have been historically underserved or are difficult to treat) have disproportionately high administrative costs. Rather than attempting a one-size-fits-all solution to such specific problems, the Committee has allowed States to allocate administrative costs flexibly but within a limited range. The Committee emphasizes that any State that can restrain administrative costs to less than 10 percent should do so and that the set amount should be regarded as a ceiling, not a floor.

Section 206. Technical assistance

Section 206 clarifies that the Secretary's provision of technical assistance may include assistance in the development and implementation of Statewide coordinated statements of need.

TITLE III—EARLY INTERVENTION SERVICES

Section 301. Establishment of program

Section 301 makes several changes in the program of grants for early intervention services to clinics that provide more generalized primary health care. This section requires minimum amounts to be spent on services and allows private, for-profit entities to be subcontractors for services under this part.

Under current law, the services eligible for funding include counseling, testing, and follow-up treatment necessary to prevent and treat both the deterioration of the immune system and the conditions arising from that deterioration. The legislation requires that at least 50 percent of funds received by each entity be spent on services other than counseling, case management, and outreach. The Committee has adopted this change because it has received reports of grantees that have sought to spend most of their funds on non-medical services, while referring their clients elsewhere for health care. The Committee emphasizes that the bulk of these funds are to be spent providing basic, primary care services, especially since such services may not be available elsewhere to the clients of these clinics.

The funds provided by Title III are intended to encourage early intervention for people who might otherwise receive care only when they become acutely ill. Given the breakthroughs in preventive services, early diagnosis (through counseling and testing) is a more important element of clinical care than ever before, and a significant expansion of early intervention services to people engaging in high-risk behavior is merited. Since the epidemic in many areas of the Nation has turned toward poor people who have no primary care physician or insurance, supplementation of primary care sites where these people already go for services is the most practical way of serving them. The supplementation of these clinics is also a means to make HIV counseling, testing, and care a part of the mainstream of basic health services, reaching many people who do not recognize themselves to be at high risk and making HIV care (including testing) more routine.

Section 302. Minimum qualifications of grantees

Section 302 makes a conforming amendment to allow entities to qualify for funding if they use private, for-profit agencies as subcontractors for services.

Section 303. Miscellaneous provisions; planning and development grants

Section 303 authorizes the Secretary of HHS to make planning grants of no more than $50,000 each to assist entities in planning, developing, and providing services under this part. Preferences for planning grants are to be given to entities that provide primary care services in rural and underserved areas.

The Committee has established these planning grants as a means to expand the number of clinics that are providing early intervention services. Given the spread of the epidemic to many areas (including rural areas, especially in the Southeast) that it did not affect significantly at the time that the Ryan White CARE Act was adopted initially, the Committee believes that many new poverty primary care sites should be providing basic HIV services. Inasmuch as few of these areas will have the wherewithal or the overall need to establish AIDS-specific programs, supplementation of existing sites is the most practical and immediate means of reaching rural and underserved people with HIV.

Section 304. Additional required agreements

Section 304 requires that, as a condition of receiving funding, an entity must provide evidence that the services to be provided are consistent with the Statewide coordinated system of need and that the entity will participate in the ongoing revision of that statement (where it has been initiated by the State).

Section 305. Authorization of appropriations

Section 305 extends authorizations for the program of early intervention services through the year 2000 at a level of such sums as may be necessary.

TITLE IV—GENERAL PROVISIONS

Section 401. Coordinated services and access to research for women, infants, and children

Section 401 revises the program of coordinated services and access to research for women, infants, and children. This program was originally enacted in response to a serious lack of biomedical research on AIDS among these populations, leaving many of their specific HIV-related problems unstudied and unaddressed and thus delaying the application of general HIV-related advances (such as antiviral research). In 1989 and 1990, researchers said that much of the problem with conducting such research was a lack of access to the populations, meaning that recruitment and retention of women, infants, and children were particularly difficult. This program was enacted to provide sites at which comprehensive health care services could be offered to this population in coordination with simple enrollment in research studies and protocols.

The Committee has revised and extended the program, emphasizing that all funds are to be used for health and support services (with research funding coming from NIH and other public and private sources) and that the principal goal of the program is to increase research among women, infants, and children. The Committee intends that this program foster a symbiotic relationship between services and research.

The new Subsection (a) of the revised Section 2671 revises the statement of purpose of the program, clarifying that grantees are to provide opportunities for women, infants, and children to participate in research but are not expected to conduct the research themselves (although they are permitted to if they so choose). In addition, it clarifies that health care services are to be provided to

women, infants, and children regardless of whether they participate in research projects. For purposes of this section, the Committee intends that the term "children" includes persons up to the age of 21. The Committee recognizes that HIV-infected adolescents and their families have significant and unique needs, and expects this program to continue to include such individuals and their families.

Subsection (a) also makes clear that grantees are to identify their clients that might be appropriate participants in research, to offer each woman, infant, and child the opportunity to participate in research, and facilitate such participation. Grantees (and their cooperating researchers) are required to comply with accepted standards of protection for human subjects, including requirements for written informed consent.

Subsection (a) requires that grantees demonstrate, by a time certain as a condition of future funding, that a significant number of its clients are participating in research projects and that the grantee and the research projects are in compliance with the standards of protection for human subjects and the priority of the research protocol. The date certain for a grantee that has received no waivers under the waiver provision described below is the end of the second year of funding; for a grantee which has received a waiver described below, the date certain is the end of the last year of its waiver. If grantees are able to comply with these provisions sooner, they are encouraged to do so.

The Committee has adopted this provision because of concerns that have evolved since original enactment. Many current grantees are former pediatric AIDS health services demonstration projects. For those demonstration projects, the principal mission was health service delivery to women, infants, and children. Several years ago, the demonstration projects were authorized under this section and were given a period of transition to add the research coordination activities contemplated by the statute. Some of these programs have indeed done this and have provided exceptional research opportunities to their clients, but the Committee remains concerned that for other grantees additional effort is needed.

The Committee has allowed for a gradual phase-in of the requirement that a grantee have a significant number of research participants because it does not want to disrupt generally successful service delivery programs unnecessarily. Rather, the Committee anticipates that by the dates certain specified in the statute, all programs will have adjusted their emphasis to include among their service efforts opportunities for research participation.

The Committee also intends that the term "significant number" be interpreted in a relative way by HHS. For grantees located in areas where research activities are widespread, a "significant number" of clients should be quite high; for grantees located in more remote areas or areas in which research on AIDS in women, infants, and children is difficult to gain access to, a significant number of clients might be relatively lower. The Committee intends that the Secretary, in determining a "significant number," take account of a variety of factors, including incidence of HIV infection and AIDS in the population of women, infants, and children in the area and the number and type of clients serviced by the grantee,

as well as the nature and availability of research protocols accessible to the clients of the grantee.

Subsection (a) further prohibits a grantee from conditioning services to a patient upon the consent of the patient to participate in research. The legislation also allows the Secretary of HHS to take into account circumstances in which a grantee is temporarily unable to comply with the requirement for reasons beyond the grantee's control and to allow the grantee reasonable time to come into compliance.

The Committee has added this provision in recognition of the fact that interruptions in coordination with research projects inevitably will occur. Researchers finish their work, lose their funding, and change their protocols. In these and similar instances, the Committee anticipates that the Secretary of HHS will allow and assist grantees to find new research opportunities to offer to their clients.

The bill also establishes a new Subsection (c) of Section 2671, regarding conduct of research. While no funds under this section may be used to pay for research, grantees may conduct research with other funds if they wish. Entities that conduct research must be qualified to do so, and entities that have been recommended for funding by the NIH are deemed to be so qualified.

In addition, Subsection (c) requires that, after consultation with public and private entities that conduct research, with providers of services under this section, and with recipients of services, the Secretary of HHS is to establish a list of research protocols that are of high priority for purposes of this section. In addition, grantees may seek a designation of priority for a research project that is not on the Secretary's list. As distinct from current law, research projects may be conducted by public or private entities.

The Committee has included this requirement so that the research projects that are assisted by the cooperation of grantees under this section will be of the highest priority in the improvement of outcomes for women, infants, and children. Since funding for this program is necessarily limited, an establishment of relative priority of the research with which grantees are cooperating is needed. Recognizing that grantees may wish to associate themselves with other projects as well, the Committee has provided the opportunity for them to demonstrate to the Secretary of HHS that another project is of equal or higher priority to those on the Secretary's list.

The Committee has allowed cooperation with private research opportunities in recognition that some projects undertaken by nonprofit foundations and pharmaceutical companies may indeed be the best projects with which a grantee may associate itself.

The new Subsection (g) of Section 2671 requires that grantees coordinate their activities with other providers under the Ryan White CARE Act and under the Maternal and Child Health (MCH) block grant, and that they participate in the Statewide coordinated statement of need. Since other parts of this title and of the MCH program provide services for women, infants and children, such coordination is needed to assure that services are not duplicated and to assure that the maximum number of such people receive basic care.

The new Subsection (j) of Section 2671 requires that the Secretary develop and implement a plan for the coordination of activi-

ties under this section with those of the NIH. In carrying out this requirement, the Secretary is to ensure that appropriate projects of NIH-funded research are made aware of the applicants and grantees under this section and are required to enter into arrangements contemplated by this section.

This provision is included because the Committee believes that only with the full coordination and cooperation with NIH can the relationship between research and services occur. Grantees have reported to the Committee that many NIH-funded research projects have been unresponsive to their attempts to coordinate their health services activities with the research efforts of the projects. Indeed, it has been reported to the Committee that the NIH itself has done little if anything to assure that NIH-supported projects take advantage of the ready availability of an appropriate research population. Again, noting that both research and service dollars are limited, the Committee expects the Secretary to remedy this problem and to coordinate NIH and Ryan White program activities.

The bill creates a new Subsection (k), regarding temporary waivers of the requirement of significant participation in research. Subsection (k) allows the Secretary to waive the requirement of the new Subsection (a)(2)(C)(i), described above (regarding the participation of a significant number of clients in research projects) if the applicant received funding under this section for Fiscal Year 1995 and if the Secretary determines that the applicant is making reasonable progress toward meeting the requirement. The waiver authority of the Secretary is terminated on October 1, 1998.

This subsection was added to allow for an orderly transition in those instances in which a grantee is experiencing difficulty providing research opportunities to its clients. The Committee does not intend that these waivers be granted across-the-board or without a review of individual circumstances. Rather, such waivers should take into account each grantee's effort and progress. Grantees with waivers should be given additional help by the Secretary (both through Ryan White and the NIH) in meeting the goals of this program.

A new Subsection (l) is added to allow the Secretary to use up to five percent of grant funds to provide training and technical assistance in complying with the requirements of the program. The Committee intends that this authority be used during the initial years of the new authorization in order to complete the transition of the program from a demonstration of services to one of combining research and services.

Subsection (b) of Section 401 makes conforming amendments to current law.

Subsection (c) extends the authorization of appropriations through the year 2000 at the level of such sums as may be necessary.

Section 402. Projects of national significance

Section 402 reauthorizes and amends the program of grants for Special Projects of National Significance (SPNS) (Section 2618 in current law). These projects are selected on the basis of three criteria: the project's ability to assess the effectiveness of particular models of care and treatment; the project's innovative nature; and

the project's potential for replication. The bill clarifies that projects are to be designed to address the needs of special populations of people afflicted with HIV (including people in rural areas, adolescents, Native Americans, people who are homeless, people with hemophilia, and people who are incarcerated) as well as to ensure the availability of services for Native American communities. Grantees under this section are to demonstrate that their activities are consistent with a Statewide statement of need and that the grantees will participate in the revision of that statement (where it has been initiated by the State). The Secretary is to make information concerning successful models of care available to other grantees under the Ryan White program. Funding for the Special Projects authority is provided by reserving three percent of the funds available under other parts of the Ryan White CARE Act.

Section 403. Special training projects

Section 403 transfers the AIDS Education and Training Program (AETC) and the Dental Reimbursement Program from Section 776 of the Public Health Service Act to a new Section 2673B. The Committee believes that these programs which provide training to health professionals in the care of AIDS patients and, in the case of the dental program, actual services to individuals with HIV/AIDS is more appropriately placed in the Ryan White CARE Act. The AETC authority is also amended to clarify its purposes to be (1) to train practitioners and community providers in the diagnosis and treatment of HIV, including measures for the prevention and treatment of opportunistic infections; (2) to train faculty of health professions schools to be able to teach health professions students to provide for the health needs of people with HIV; and (3) to develop and disseminate curricula and resource materials.

The HIV/AIDS Dental Program teaches dental students and residents to diagnose and treat the serious and painful dental diseases and multiple oral manifestations arising from AIDS. Dentists are often the first to recognize the symptoms of HIV/AIDS and make appropriate referrals for further medical care. Under this program, dental schools and hospitals are partially reimbursed for the cost of providing oral health care for patients with HIV and AIDS. This program is critical since dental benefits are seldom included in a basic health insurance plan in the public or private sector. It encourages the provision of oral health care to people throughout the nation and provides extensive training for dental students and residents in the management of the oral care of those suffering from AIDS. Educationally, there is no substitute for the clinical training dental students and residents gain through this program.

Authorizations of appropriations for both the general health professions training projects and for the special program for dental schools are extended through the year 2000 at such sums as may be necessary.

Section 404. Evaluations and reports

Section 404 extends and simplifies the requirements of evaluations and reports. The section also requires that the Secretary make available to HRSA, for purposes of evaluating Ryan White CARE Act programs, funds available under Section 241 of the Pub-

lic Health Service Act, and eliminates the separate authorization of appropriations for this purpose.

Section 405. Coordination of program

Section 405 requires the Secretary to submit a report on the coordination of the programs authorized under this title at the Federal, State, and local levels.

TITLE V—ADDITIONAL PROVISIONS

Section 501. Amount of emergency relief grants

Section 501 revises the formula by which grants are made to local areas. In general, funds are allocated among eligible areas (as described above at Section 101) on the basis of the estimated number of living cases of AIDS in the area times the cost index for the area. The number of living cases is determined through a weighted average of cases over the most recent 10 year period. The cost index is based on the Medicare hospital wage index, adjusted to reflect the difference between in-patient hospital and outpatient care costs.

These factors were arrived at after significant consultation with HHS, the General Accounting Office, affected areas (both those currently funded and those not), and experts in the field. As discussed above, a special provision restricting the maximum amount that an area will lose has been included to provide for transition. The Committee emphasizes that this formula and its factors are intended for use only in the Ryan White program and are not to be considered appropriate for other uses for other programs.

Section 502. Amount of care grants.

Section 502 revises the formula by which grants are made to States and territories. In general, funds are allocated among States on the basis of distribution factors that include the relative number of AIDS cases reported by the State in the two most recent fiscal years and the relative per capita income of the State (as in current law). However, to resolve concerns about distribution inequities between States which have Title I grantees (EMAs) and those which do not, 7 percent of the appropriation allocated to Title II is set aside, before calculating the formula distribution, for providing additional funds to non-EMA States. (Under current law, 10 percent of the Title II funds is used for the SPNS program; under this bill, the SPNS is funded from 3 percent of all other programs, including State grants. Thus, there is a 7 percent "remainder" [which was never part of the formula allocation under current law] in Title II which can be set aside for another purpose.) This 7 percent is distributed to non-EMA States (largely rural States) according to their 2-year case average. Then, funds from all States are used to ensure that no State receives less than $100,000 or, if there are 90 or more cases of AIDS in the State, less than $250,000. The result is that no State drops below its current level of funding, and non-EMA States realize a substantial increase over current funding levels.

This method of awarding grants among the States and territories was arrived at after significant consultation with HHS, the General Accounting Office, the States, and experts in the field. The Com-

mittee emphasizes that this formula and its factors are intended for use only in the Ryan White program and are not to be considered appropriate for other uses for other programs.

Section 503. Consolidation of authorizations of appropriations

Section 503 extends the authorization of appropriations for Part A (Title I, Emergency Relief for Areas with Substantial Need for Services) and Part B (Title II, Care Grants) through the year 2000 at such sums as may be necessary. In addition, Section 503 establishes the relative allocation of funds between Part A and Part B to be 64 percent for Part A and 36 percent for Part B for at least the first fiscal year. For Fiscal Years 1997 through 2000, the Secretary may develop and implement a methodology for adjusting the ratio of Part A to Part B.

The Committee has established this ongoing relative allocation in response to concerns that competition for funding between local areas and States has been counter to the fundamental intent of the Ryan White CARE Act—to serve all people with AIDS, whether they reside in cities, rural areas, or other parts of the State. This provision is an attempt to focus all concerned parties on the need to work toward providing basic primary health care services to all people with HIV in the Nation. Since the defined purposes of Parts A and B are now to be roughly parallel, the Committee believes that no good is served by an ongoing rivalry for funds between cities and States. Significant unjustifiable differences in funding from area to area can only serve to distort an already complex health care delivery system. In some cases, this competition for funding, generated by the current separate appropriations process, has been to provide public subsidies in one area for discretionary services while denying poor persons living in another area sufficient funding for even the most minimal health care and prescription drugs. At a time when funds will be restricted but the epidemic will continue, such unjustified disparities must come to an end. The Committee strongly encourages the Secretary to devise a method by which funds may continue to be appropriately allocated to assure basic services to all who cannot provide them themselves, taking account of the variety of factors that affect the need for funding changes including the addition of new EMAs to the Title I program, increasing cost and availability of drugs provided under Title II, the changing demographics of AIDS, and any other relevant factors.

TITLE VI—EFFECTIVE DATE

Section 601. Effective date

Section 601 establishes the effective date of this Act to be October 1, 1995.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

PUBLIC HEALTH SERVICE ACT

* * * * * * *

TITLE XXVI—HIV HEALTH CARE SERVICES PROGRAM

PART A—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

SEC. 2601. ESTABLISHMENT OF PROGRAM OF GRANTS.

(a) ELIGIBLE AREAS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall, [subject to subsection (b)] *subject to subsections (b) through (d),* make grants in accordance with section 2603 for the purpose of assisting in the provision of the services specified in 2604 in any [metropolitan area for which, as of June 30, 1990, in the case of grants for fiscal year 1991, and as of March 31 of the most recent fiscal year for which such data is available in the case of a grant for any subsequent fiscal year—

[(1) there has been reported to and confirmed by the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome; or

[(2) the per capita incidence of cumulative cases of such syndrome (computed on the basis of the most recently available data on the population of the area) is not less than 0.0025.] *metropolitan area for which there has been reported to the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome for the most recent period of five calendar years for which such data are available.*

* * * * * * *

(c) REQUIREMENT REGARDING POPULATION.—In the case of a metropolitan area that was not an eligible area under this part for fiscal year 1996, the Secretary may not make a grant under this section for the area unless the area has a population of 500,000 or more individuals. For purposes of eligibility under this part, the boundaries of each metropolitan area are the boundaries in effect for fiscal year 1994.

(d) CONTINUED STATUS AS ELIGIBLE AREA.—A metropolitan area that was an eligible area under this part for fiscal year 1996 is an eligible area for fiscal year 1997 and each subsequent fiscal year.

SEC. 2602. ADMINISTRATION AND PLANNING COUNCIL.

(a) * * *

(b) HIV HEALTH SERVICES PLANNING COUNCIL.—

(1) ESTABLISHMENT.—To be eligible for assistance under this part, the chief elected official described in subsection (a)(1) shall establish or designate an HIV health services planning council that shall include representatives of—

(A) health care providers, *including federally qualified health centers*;

(B) community-based and AIDS service organizations;

(C) social service providers;

(D) mental health care providers *and providers of services regarding substance abuse*;

(E) local public health agencies;

(F) hospital planning agencies or health care planning agencies;

(G) affected communities, including individuals with HIV disease *and historically underserved groups and subpopulations*;

(H) non-elected community leaders;

(I) State government, *including the State medicaid agency and the agency administering the program under part B*;

(J) grantees under subpart II of part C; [and]

[(K) the lead agency of any Health Resources and Services Administration adult and pediatric HIV-related care demonstration project operating in the area to be served.]

(K) grantees under section 2671, or, if none are operating in the area, representatives of organizations in the area with a history of serving children, youth, women, and families living with HIV; and

(L) grantees under other HIV-related Federal programs.

* * * * * * *

(3) DUTIES.—[The planning council established or designated under paragraph (1) shall—

[(A) establish priorities for the allocation of funds within the eligible area;] *The planning council under paragraph (1) shall carry out the following:*

(A) Establish priorities for the allocation of funds within the eligible area based on the following factors:

(i) Documented needs of the HIV-infected population.

(ii) Cost and outcome effectiveness of proposed strategies and interventions, to the extent that such data are reasonably available.

(iii) Priorities of the HIV-infected communities for which the services are intended.

(iv) Availability of other governmental and nongovernmental resources.

(B) [develop] *Develop* a comprehensive plan for the organization and delivery of health services described in section 2604 that is compatible with any existing State or local plan regarding the provision of health services to individuals with HIV disease[; and].

(C) [assess] *Assess* the efficiency of the administrative mechanism in [rapidly] allocating funds to the areas of greatest need within the eligible area, *and assess the effectiveness, either directly or through contractual arrangements, of the services offered in meeting the identified needs.*

(D) Participate in the development of the statewide coordinated statement of need initiated by the State health department (where it has been so initiated).

(E) Obtain input on community needs through conducting public meetings.

(4) GENERAL PROVISIONS.—

(A) COMPOSITION OF COUNCIL.—The planning council under paragraph (1) shall (in addition to requirements under such paragraph) reflect in its composition the demographics of the epidemic in the eligible area involved, with particular consideration given to disproportionately affected and historically underserved groups and subpopulations. Nominations for membership on the council shall be identified through an open process, and candidates shall be selected based on locally delineated and publicized criteria. Such criteria shall include a conflict-of-interest standard for each nominee.

(B) CONFLICTS OF INTEREST.—

(i) The planning council under paragraph (1) may not be directly involved in the administration of a grant under section 2601(a). With respect to compliance with the preceding sentence, the planning council may not designate (or otherwise be involved in the selection of) particular entities as recipients of any of the amounts provided in the grant.

(ii) An individual may serve on the planning council under paragraph (1) only if the individual agrees to comply with the following:

(I) If the individual has a financial interest in an entity, and such entity is seeking amounts from a grant under section 2601(a), the individual will not, with respect to the purpose for which the entity seeks such amounts, participate (directly or in an advisory capacity) in the process of selecting entities to receive such amounts for such purpose.

(II) In the case of a public or private entity of which the individual is an employee, or a public or private organization of which the individual is a member, the individual will not participate (directly or in an advisory capacity) in the process of making any decision that relates to the expenditure of a grant under section 2601(a) for such entity or organization or that otherwise directly affects the entity or organization.

SEC. 2603. TYPE AND DISTRIBUTION OF GRANTS.

(a) GRANTS BASED ON RELATIVE NEED OF AREA.—

(1) IN GENERAL.—In carrying out section 2601(a), the Secretary shall make a grant for each eligible area for which an application under section 2605(a) has been approved. Each such grant shall be made in an amount determined in accordance with paragraph (3)*, subject to paragraph (4). Grants under this paragraph for a fiscal year shall be disbursed not later than 60 days after the date on which amounts appropriated under section 2677 become available for the fiscal year, subject to any waivers under section 2605(d).*

[(2) EXPEDITED DISTRIBUTION.—Not later than—

[(A) 90 days after an appropriation becomes available to carry out this part for fiscal year 1991; and

[(B) 60 days after an appropriation becomes available to carry out this part for each of fiscal years 1992 through 1995;

the Secretary shall, except in the case of waivers granted under section 2605(c), disburse 50 percent of the amount appropriated under section 2608 for such fiscal year through grants to eligible areas under section 2601(a).

[(3) AMOUNT OF GRANT.—

[(A) IN GENERAL.—

[(i) Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

[(I) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

[(II) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas.

[(ii) For purposes of clause (i)(II), the term "distribution factor" means the sum of—

[(I) an amount equal to the product of 3 and the amount determined under subparagraph (B) for the eligible area involved; and

[(II) an amount equal to the product of the amount determined under subparagraph (B) for the eligible area and the amount determined under subparagraph (C) for the area.

[(B) AMOUNT RELATING TO CUMULATIVE NUMBER OF CASES.—The amount determined in this subparagraph is an amount equal to the ratio of—

[(i) an amount equal to the cumulative number of cases of acquired immune deficiency syndrome in the eligible area involved, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention by the applicable date specified in section 2601(a); to

[(ii) an amount equal to the sum of the respective amounts determined under clause (i) for each eligible area for which an application for a grant for purposes of this paragraph has been approved.

[(C) AMOUNT RELATING TO PER CAPITA INCIDENCE OF CASES.—The amount determined in this subparagraph is an amount equal to the ratio of—

[(i) the per capita incidence of cumulative cases of acquired immune deficiency syndrome in the eligible area involved (computed on the basis of the most recently available data on the population of the area); to

[(ii) the per capita incidence of cumulative such cases in all eligible areas for which applications for grants for purposes of this paragraph have been approved (computed on the basis of the most recently available data on the population of the areas).]

(2) ALLOCATIONS.—Of the amount available under section 2677 for a fiscal year for making grants under section 2601(a)—

(A) the Secretary shall reserve 50 percent for making grants under paragraph (1) in amounts determined in accordance with paragraph (3); and

(B) the Secretary shall, after compliance with subparagraph (A), reserve such funds as may be necessary to carry out paragraph (4).

(3) AMOUNT OF GRANT.—

(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

(i) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

(ii) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas.

(B) DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii), the term "distribution factor" means the product of—

(i) an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (C); and

(ii) the cost index for the eligible area involved, as determined under subparagraph (D).

(C) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

(i) the number of cases of acquired immune deficiency syndrome in the eligible area during each year in the most recent 120-month period for which data are available with respect to all eligible areas, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

(ii) with respect to—

(I) the first year during such period, .06;
(II) the second year during such period, .06;
(III) the third year during such period, .08;
(IV) the fourth year during such period, .10;
(V) the fifth year during such period, .16;
(VI) the sixth year during such period, .16;
(VII) the seventh year during such period, .24;
(VIII) the eighth year during such period, .40;
(IX) the ninth year during such period, .57; and
(X) the tenth year during such period, .88.

(D) COST INDEX.—The amount determined in this subparagraph is an amount equal to the sum of—

(i) the product of—

(I) the average hospital wage index reported by hospitals in the eligible area involved under section 1886(d)(3)(E) of the Social Security Act for the 3-year period immediately preceding the year for which the grant is being awarded; and

(II) .70; and

(ii) .30.

(E) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this paragraph, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.

(F) PUERTO RICO, VIRGIN ISLANDS, GUAM.—For purposes of subparagraph (D), the cost index for an eligible area within Puerto Rico, the Virgin Islands, or Guam shall be 1.0.

(4) MAXIMUM REDUCTION IN GRANT.—In the case of any eligible area for which a grant under paragraph (1) was made for fiscal year 1995, the Secretary, in making grants under such paragraph for the area for the fiscal years 1996 through 2000, shall (subject to the extent of the amount available under section 2677 for the fiscal year involved for making grants under section 2601(a)) ensure that the amounts of the grants do not, relative to such grant for the area for fiscal year 1995, constitute a reduction of more than the following, as applicable to the fiscal year involved:

(A) 1 percent, in the case of fiscal year 1996.

(B) 2 percent, in the case of fiscal year 1997.

(C) 3 percent, in the case of fiscal year 1998.

(D) 4 percent, in the case of fiscal year 1999.

(E) 5 percent, in the case of fiscal year 2000.

(b) SUPPLEMENTAL GRANTS.—

(1) IN GENERAL.—[Not later than 150 days after the date on which appropriations are made under section 2608 for a fiscal year, the Secretary shall disburse the remainder of amounts not disbursed under section 2603(a)(2) for such fiscal year for the purpose of making grants under section 2601(a) to eligible areas whose application under section 2605(b)—] *After allocating in accordance with subsection (a) the amounts available under section 2677 for grants under section 2601(a) for a fiscal year, the Secretary, in carrying out section 2601(a), shall from the remaining amounts make grants to eligible areas described in this paragraph. Such grants shall be disbursed not later than 150 days after the date on which amounts appropriated under section 2677 become available for the fiscal year. An eligible area described in this paragraph is an eligible area whose application under section 2605(b)—*

(A) contains a report concerning the dissemination of emergency relief funds under subsection (a) and the plan for utilization of such funds;

(B) demonstrates the severe need in such area for supplemental financial assistance to combat the HIV epidemic;

(C) demonstrates the existing commitment of local resources of the area, both financial and in-kind, to combating the HIV epidemic;

(D) demonstrates the ability of the area to utilize such supplemental financial resources in a manner that is immediately responsive and cost effective; [and]

(E) demonstrates that resources will be allocated in accordance with the local demographic incidence of AIDS including appropriate allocations for services for infants, children, women, and families with HIV disease[.]*; and*

(F) demonstrates the manner in which the proposed services are consistent with the local needs assessment and the statewide coordinated statement of need.

(2) PRIORITY.—

(A) SEVERE NEED.—In determining severe need in accordance with paragraph (1)(B), the Secretary shall give priority consideration in awarding grants under this subsection to eligible areas that (in addition to complying with paragraph (1)) demonstrate a more severe need based on the prevalence in the eligible area of—

(i) sexually transmitted diseases, substance abuse, tuberculosis, severe mental illness, or other conditions determined relevant by the Secretary, which significantly affect the impact of HIV disease;

(ii) subpopulations with HIV disease that were previously unknown in such area; or

(iii) homelessness.

(B) PREVALENCE.—In determining prevalence of conditions under subparagraph (A), the Secretary shall use data on the prevalence of the conditions described in such subparagraph among individuals with HIV disease (except that, in the case of an eligible area for which such data are not available, the Secretary shall use data on the prevalences of the conditions in the general population of such area).

[(2)] *(3)* REMAINDER OF AMOUNTS.—In determining the amount of funds to be obligated under paragraph (1), the Secretary shall include amounts that are not paid to the eligible areas under expedited procedures under section 2603(a)(2) as a result of—

(A) the failure of any eligible area to submit an application under section 2605(c); or

(B) any eligible area informing the Secretary that such eligible area does not intend to expend the full amount of its grant under such section.

[(3)] *(4)* AMOUNT OF GRANT.—The amount of each grant made for purposes of this subsection shall be determined by the Secretary based on the application submitted by the eligible area under section 2605(b).

[(4)] *(5)* FAILURE TO SUBMIT.—

(A) IN GENERAL.—The failure of an eligible area to submit an application for an expedited grant under section 2603(a)(2) shall not result in such area being ineligible for a grant under this subsection.

(B) APPLICATION.—The application of an eligible area submitted under section 2605(b) shall contain the assurances required under subsection (a) of such section if such eligible area fails to submit an application for an expedited grants under section 2603(a)(2).

(c) COMPLIANCE WITH PRIORITIES OF HIV PLANNING COUNCIL.—Notwithstanding any other provision of this part, the Secretary, in carrying out section 2601(a), may not make any grant under subsection (a) or (b) to an eligible area unless the application submitted by such area under section 2605 for the grant involved demonstrates that the grants made under subsections (a) and (b) to the area for the preceding fiscal year (if any) were expended in accordance with the priorities applicable to such year that were established, pursuant to section 2602(b)(3)(A), by the planning council serving the area.

SEC. 2604. USE OF AMOUNTS.

(a) * * *

(b) PRIMARY PURPOSES.—

(1) IN GENERAL.—The chief elected official shall use amounts received under a grant under section 2601 to provide direct financial assistance to entities described in paragraph (2) for the purpose of delivering or enhancing HIV-related—

(A) outpatient and ambulatory health and support services, [including case management and comprehensive treatment services, for individuals] *including HIV-related comprehensive treatment services (including treatment education and measures for the prevention and treatment of opportunistic infections), case management, and substance abuse treatment and mental health treatment, for individuals* and families with HIV disease; and

(B) inpatient case management services that prevent unnecessary hospitalization or that expedite discharge, as medically appropriate, from inpatient facilities.

(2) APPROPRIATE ENTITIES.—

(A) IN GENERAL.—Subject to subparagraph (B), direct financial assistance may be provided under paragraph (1) to public or nonprofit private entities, *or private for-profit entities if such entities are the only available provider of quality HIV care in the area,* including hospitals (which may include Department of Veterans Affairs facilities), community-based organizations, hospices, ambulatory care facilities, community health centers, migrant health centers, [and homeless health centers] *homeless health centers, substance abuse treatment programs, and mental health programs.*

(B) PRIORITY.—In providing direct financial assistance under paragraph (1) the chief elected official shall give priority to entities that are currently participating in Health Resources and Services Administration HIV health care demonstration projects.

(3) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, the chief elected official of an eligible area shall use, of the grants made for the area under section 2601(a) for a fiscal year, not less than the percentage constituted by the ratio of the population in such area of infants, children, and women with acquired immune deficiency syndrome to the general population in such area of individuals with such syndrome, or 15 percent, whichever is less. In expending the funds reserved under the preceding sentence for a fiscal year, the chief elected official shall give priority to providing, for pregnant women, measures to prevent the perinatal transmission of HIV.

* * * * * * *

(e) ADMINISTRATION AND PLANNING.—The chief executive officer of an eligible area shall not use in excess of 5 percent of amounts received under a grant awarded under this part for administration, accounting, reporting, and program oversight functions. *In the case of entities to which such officer allocates amounts received by the officer under the grant, the officer shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).*

* * * * * * *

SEC. 2605. APPLICATION.

(a) IN GENERAL.—To be eligible to receive a grant under section 2601, an eligible area shall prepare and submit to the Secretary an application at such time, in such form, and containing such information as the Secretary shall require, including assurances adequate to ensure—

(1)(A) * * *

(B) that the political subdivisions within the eligible area will maintain the level of expenditures by such political subdivisions for HIV-related services for individuals with HIV disease at a level that is equal to the level of such expenditures by such political subdivisions for the **[**1-year period preceding the first fiscal year for which a grant is received by the eligible area**]** *preceding fiscal year*; and

* * * * * * *

(4) that funds received under a grant awarded under this part will not be utilized to make payments for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service—

(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(B) by an entity that provides health services on a prepaid basis; **[**and**]**

(5) to the maximum extent practicable, that—

(A) HIV health care and support services provided with assistance made available under this part will be provided without regard—

(i) to the ability of the individual to pay for such services; and

(ii) to the current or past health condition of the individual to be served;

(B) such services will be provided in a setting that is accessible to low-income individuals with HIV-disease; and

(C) a program of outreach will be provided to low-income individuals with HIV-disease to inform such individuals of such services[.]*; and*

(6) that the applicant will participate in the process for the statewide coordinated statement of need (where it has been initiated by the State), and will ensure that the services provided under the comprehensive plan are consistent with such statement.

(b) [ADDITIONAL] APPLICATION.—An eligible area that desires to receive a grant under section 2603(b) shall prepare and submit to the Secretary an [additional] application at such time, in such form, and containing such information as the Secretary shall require, including the information required under such subsection and information concerning—

(1) the number of individuals to be served within the eligible area with assistance provided under the grant;

(2) demographic data on the population of such individuals;

(3) the average cost of providing each category of HIV-related health services and the extent to which such cost is paid by third-party payors; and

(4) the aggregate amounts expended for each such category of services.

(c) SINGLE APPLICATION.—Upon the request of the chief elected official of an eligible area, the Secretary may authorize the official to submit a single application through which the official simultaneously requests a grant pursuant to subsection (a) of section 2603 and a grant pursuant to subsection (b) of such section. The Secretary may establish such criteria for carrying out this subsection as the Secretary determines to be appropriate.

[(c)] *(d)* DATE CERTAIN FOR SUBMISSION.—

(1) REQUIREMENT.—Except as provided in paragraph (2), to be eligible to receive a grant under section 2601(a) for a fiscal year, an application under subsection (a) shall be submitted not later than 45 days after the date on which appropriations are made under section [2608] *2677* for the fiscal year.

* * * * * * *

[(d)] *(e)* REQUIREMENTS REGARDING IMPOSITION OF CHARGES FOR SERVICES.—

(1) IN GENERAL.—The Secretary may not make a grant under section 2601 to an eligible area unless the eligible area provides assurances that in the provision of services with assistance provided under the grant—

(A) * * *

* * * * * * *

SEC. 2606. TECHNICAL ASSISTANCE.

(a) IN GENERAL.—The Administrator of the Health Resources and Services Administration [may, beginning on the date of enactment of this title,] *(referred to in this section as the "Administrator") shall* provide technical assistance to assist entities in complying with the requirements of this part in order to make such entities eligible to receive a grant under this part.

(b) PLANNING GRANTS REGARDING INITIAL ELIGIBILITY FOR GRANTS.—

(1) ADVANCE PAYMENTS ON FIRST-YEAR FORMULA GRANTS.—With respect to a fiscal year (referred to in this subsection as the "planning year"), if a metropolitan area has not previously received a grant under section 2601 and the Administrator reasonably projects that the area will be eligible for such a grant for the subsequent fiscal year, the Administrator may make a grant for the planning year for the purpose of assisting the area in preparing for the responsibilities of the area in carrying out activities under this part.

(2) REQUIREMENTS.—

(A) IN GENERAL.—A grant under paragraph (1) for a planning year shall be made directly to the chief elected official of the city or urban county that administers the public health agency to which section 2602(a)(1) is projected to apply for purposes of such paragraph. The grant may not be made in an amount exceeding $75,000.

(B) OFFSETTING REDUCTION IN FIRST FORMULA GRANT.—In the case of a metropolitan area that has received a grant under paragraph (1) for a planning year, the first grant made pursuant to section 2603(a) for such area shall be reduced by an amount equal to the amount of the grant under such paragraph for the planning year. With respect to amounts resulting from reductions under the preceding sentence for a fiscal year, the Secretary shall use such amounts to make grants under section 2603(a) for the fiscal year, subject to ensuring that none of such amounts are provided to any metropolitan area for which such a reduction was made for the fiscal year.

(3) FUNDING.—Of the amounts available under section 2677 for a fiscal year for carrying out this part, the Administrator may reserve not more than 1 percent for making grants under paragraph (1).

SEC. 2607. DEFINITIONS.

For purposes of this part:

(1) ELIGIBLE AREA.—[The term "eligible area" means a metropolitan area described in section 2601(a).] *The term "eligible area" means a metropolitan area meeting the requirements of section 2601 that are applicable to the area.*

(2) METROPOLITAN AREA.—The term "metropolitan area" means an area referred to in the HIV/AIDS Surveillance Report of the Centers for Disease Control and Prevention as a metropolitan area.

[SEC. 2608. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to make grants under this part, $275,000,000 in each of the fiscal years 1991 and 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1995.]

PART B—CARE GRANT PROGRAM

* * * * * * *

[SEC. 2612. GENERAL USE OF GRANTS.

[(a) IN GENERAL.—A State may use amounts provided under grants made under this part—

[(1) to establish and operate HIV care consortia within areas most affected by HIV disease that shall be designed to provide a comprehensive continuum of care to individuals and families with HIV disease in accordance with section 2613;

[(2) to provide home- and community-based care services for individuals with HIV disease in accordance with section 2614;

[(3) to provide assistance to assure the continuity of health insurance coverage for individuals with HIV disease in accordance with section 2615; and

[(4) to provide treatments, that have been determined to prolong life or prevent serious deterioration of health, to individuals with HIV disease in accordance with section 2616.

[(b) INFANTS AND WOMEN, ETC.—A State shall use not less than 15 percent of funds allocated under this part to provide health and support services to infants, children, women, and families with HIV disease.]

SEC. 2612. GENERAL USE OF GRANTS.

(a) IN GENERAL.—A State may use amounts provided under grants made under this part for the following:

(1) To provide the services described in section 2604(b)(1) for individuals with HIV disease.

(2) To provide to such individuals treatments that in accordance with section 2616 have been determined to prolong life or prevent serious deterioration of health.

(3) To provide home- and community-based care services for such individuals in accordance with section 2614.

(4) To provide assistance to assure the continuity of health insurance coverage for such individuals in accordance with section 2615.

(5) To establish and operate consortia under section 2613 within areas most affected by HIV disease, which consortia shall be designed to provide a comprehensive continuum of care to individuals and families with such disease in accordance with such section.

(b) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, a State shall use, of the funds allocated under this part to the State for a fiscal year, not less than the percentage constituted by the ratio of the population in the State of infants, children, and women with acquired immune deficiency syndrome to the general population in the State of individuals with such syndrome, or 15 percent, whichever is less. In expending the

funds reserved under the preceding sentence for a fiscal year, the State shall give priority to providing, for pregnant women, measures to prevent the perinatal transmission of HIV.

SEC. 2613. GRANTS TO ESTABLISH HIV CARE CONSORTIA.

(a) CONSORTIA.—A State may use amounts provided under a grant awarded under this part to provide assistance under section 2612(a)(1) to an entity that—

(1) is an association of one or more public, and one or more nonprofit private, *(or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area)* health care and support service providers and community based organizations operating within areas determined by the State to be most affected by HIV disease; and

(2) agrees to use such assistance for the planning, development and delivery, through the direct provision of services or through entering into agreements with other entities for the provision of such services, of comprehensive outpatient health and support services for individuals with HIV disease, that may include—

(A) essential health services such as case management services, medical, nursing, *substance abuse treatment, mental health treatment,* and dental care, diagnostics, monitoring, *measures for the prevention and treatment of opportunistic infections, treatment education for patients (provided in the context of health care delivery),* and medical follow-up services, mental health, developmental, and rehabilitation services, home health and hospice care; and

(B) essential support services such as transportation services, attendant care, homemaker services, day or respite care, benefits advocacy, advocacy services provided through public and nonprofit private entities, and services that are incidental to the provision of health care services for individuals with HIV disease including nutrition services, housing referral services, and child welfare and family services (including foster care and adoption services).

An entity or entities of the type described in this subsection shall hereinafter be referred to in this title as a ''consortium'' or ''consortia''.

* * * * * * *

(c) APPLICATION.—

(1) * * *

(2) CONSULTATION.—In establishing the plan required under paragraph (1)(B), the consortium shall consult with—

(A)(i) the public health agency that provides or supports ambulatory and outpatient HIV-related health care services within the geographic area to be served; or

(ii) in the case of a public health agency that does not directly provide such HIV-related health care services such agency shall consult with an entity or entities that directly provide ambulatory and outpatient HIV-related health care services within the geographic area to be served; **[**and**]**

(B) not less than one community-based organization that is organized solely for the purpose of providing HIV-related support services to individuals with HIV disease[.]*; and*

(C) grantees under section 2671, or, if none are operating in the area, representatives in the area of organizations with a history of serving children, youth, women, and families living with HIV.

The organization to be consulted under subparagraph (B) shall be at the discretion of the applicant consortium.

* * * * * * *

SEC. 2616. PROVISION OF TREATMENTS.

(a) IN GENERAL.—A State [may use amounts] *shall use a portion of the amounts* provided under a grant awarded under this part to establish a program under section [2612(a)(4)] *2612(a)(2)* to provide treatments that have been determined to prolong life or prevent the serious deterioration of health arising from HIV disease in eligible individuals*, including measures for the prevention and treatment of opportunistic infections*.

* * * * * * *

SEC. 2617. STATE APPLICATION.

(a) * * *

(b) DESCRIPTION OF INTENDED USES AND AGREEMENTS.—The application submitted under subsection (a) shall contain—

(1) * * *

(2) a comprehensive plan for the organization and delivery of HIV health care and support services to be funded with assistance received under this part that shall include a description of the purposes for which the State intends to use such assistance, including—

(A) the services and activities to be provided and an explanation of the manner in which the elements of the program to be implemented by the State with such assistance will maximize the quality of health and support services available to individuals with HIV disease throughout the State; [and]

(B) a description of the manner in which services funded with assistance provided under this part will be coordinated with other available related services for individuals with HIV disease; [and]

(C) a description of the activities carried out by the State under section 2616; and

(D) a description of how the allocation and utilization of resources are consistent with a statewide coordinated statement of need, developed in partnership with other grantees in the State that receive funding under this title and after consultation with individuals receiving services under this part.

* * * * * * *

SEC. 2618. DISTRIBUTION OF FUNDS.

[(a) SPECIAL PROJECTS OF A NATIONAL SIGNIFICANCE.—

[(1) IN GENERAL.—Of the amount appropriated under section 2620 for each fiscal year, the Secretary shall use not to exceed 10 percent of such amount to establish and administer a special projects of national significance program to award direct grants to public and nonprofit private entities including community-based organizations to fund special programs for the care and treatment of individuals with HIV disease.

[(2) GRANTS.—The Secretary shall award grants under subsection (a) based on—

[(A) the need to assess the effectiveness of a particular model for the care and treatment of individuals with HIV disease;

[(B) the innovative nature of the proposed activity; and

[(C) the potential replicability of the proposed activity in other similar localities or nationally.

[(3) SPECIAL PROJECTS.—Special projects of a national significance may include those that are designed to—

[(A) establish a system designed to increase the number of health care facilities willing and able to serve low-income individuals and families with HIV disease;

[(B) deliver drug abuse treatment and HIV health care services at a single location, through either an outpatient or residential facility;

[(C) provide support and respite care for participants in family-based care networks critical to the delivery of comprehensive HIV care in the minority community;

[(D) deliver an enhanced spectrum of comprehensive health care and support services to underserved hemophilia populations, including minorities and those in rural and underserved areas, utilizing established networks of hemophilia diagnostic and treatment centers and community-based outreach systems;

[(E) deliver HIV health care and support services to Indians with HIV disease and their families;

[(F) improve the provision of HIV health care and support services to individuals and families with HIV disease located in rural areas;

[(G) deliver HIV health care and support services to homeless individuals and families with HIV disease; and

[(H) deliver HIV health care and support services to individuals with HIV disease who are incarcerated.

[(b) AMOUNT OF GRANT TO STATE.—

[(1) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available under section 2620, the amount of a grant to be made under this part for—

[(A) each of the several States and the District of Columbia for a fiscal year shall be the greater of—

[(i) $100,000, and

[(ii) an amount determined under paragraph (2); and

[(B) each territory of the United States, as defined in paragraph 3, shall be an amount determined under paragraph (2).

[(2) DETERMINATION.—

[(A) FORMULA.—The amount referred to in paragraph (1)(A)(ii) for a State and paragraph (1)(B) for a territory of the United States shall be the product of—

[(i) an amount equal to the amount appropriated under section 2620 for the fiscal year involved; and

[(ii) the ratio of the distribution factor for the State or territory to the sum of the distribution factors for all the States or territories.

[(B) DISTRIBUTION FACTOR.—As used in subparagraph (A)(ii), the term ''distribution factor'' means—

[(i) in the case of a State, the product of—

[(I) the number of cases of acquired immune deficiency syndrome in the State, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data are available; and

[(II) the cube root of the ratio (based on the most recent available data) of—

[(aa) the average per capita income of individuals in the United States (including the territories); to

[(bb) the average per capita income of individuals in the State; and

[(ii) in the case of a territory of the United States the number of additional cases of such syndrome in the specific territory, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data is available.

[(3) DEFINITIONS.—As used in this subsection—

[(A) the term ''State'' means each of the 50 States, the District of Columbia and the Commonwealth of Puerto Rico; and

[(B) the term ''territory of the United States'' means the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of the Marshall Islands.]

(a) AMOUNT OF GRANT.—

(1) IN GENERAL.—Subject to subsection (b) (relating to minimum grants), the amount of a grant under this part for a State for a fiscal year shall be the sum of—

(A) the amount determined for the State under paragraph (2); and

(B) the amount determined for the State under paragraph (4) (if applicable).

(2) PRINCIPAL FORMULA GRANTS.—For purposes of paragraph (1)(A), the amount determined under this paragraph for a State for a fiscal year shall be the product of—

(A) the amount available under section 2677 for carrying out this part, less the reservation of funds made in paragraph (4)(A) and less any other applicable reservation of funds authorized or required in this Act (which amount is subject to subsection (b)); and

(B) the percentage constituted by the ratio of—

(i) the distribution factor for the State; to

(ii) the sum of the distribution factors for all States.

(3) DISTRIBUTION FACTOR FOR PRINCIPAL FORMULA GRANTS.—For purposes of paragraph (2)(B), the term "distribution factor" means the following, as applicable:

(A) In the case of each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico, the product of—

(i) the number of cases of acquired immune deficiency syndrome in the State, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data are available; and

(ii) the cube root of the ratio (based on the most recent available data) of—

(I) the average per capita income of individuals in the United States (including the territories); to

(II) the average per capita income of individuals in the State.

(B) In the case of a territory of the United States (other than the Commonwealth of Puerto Rico), the number of additional cases of such syndrome in the specific territory, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data is available.

(4) SUPPLEMENTAL AMOUNTS FOR CERTAIN STATES.—For purposes of paragraph (1)(B), an amount shall be determined under this paragraph for each State that does not contain any metropolitan area whose chief elected official received a grant under part A for fiscal year 1996. The amount determined under this paragraph for such a State for a fiscal year shall be the product of—

(A) an amount equal to 7 percent of the amount available under section 2677 for carrying out this part for the fiscal year (subject to subsection (b)); and

(B) the percentage constituted by the ratio of—

(i) the number of cases of acquired immune deficiency syndrome in the State (as determined under paragraph (3)(A)(i)); to

(ii) the sum of the respective numbers determined under clause (i) for each State to which this paragraph applies.

(5) DEFINITIONS.—For purposes of this subsection and subsection (b):

(A) The term "State" means each of the 50 States, the District of Columbia, and the territories of the United States.

(B) The term "territory of the United States" means each of the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the Republic of the Marshall Islands.

(b) MINIMUM AMOUNT OF GRANT.—

(1) IN GENERAL.—Subject to the extent of the amounts specified in paragraphs (2)(A) and (4)(A) of subsection (a), a grant under this part for a State for a fiscal year shall be the greater of—

(A) the amount determined for the State under subsection (a); and

(B) the amount applicable under paragraph (2) to the State.

(2) APPLICABLE AMOUNT.—For purposes of paragraph (1)(B), the amount applicable under this paragraph for a fiscal year is the following:

(A) In the case of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico—

(i) $100,000, if it has less than 90 cases of acquired immune deficiency syndrome (as determined under subsection (a)(3)(A)(i)); and

(ii) $250,000, if it has 90 or more such cases (as so determined).

(B) In the case of each of the territories of the United States (other than the Commonwealth of Puerto Rico), $0.0.

(c) ALLOCATION OF ASSISTANCE BY STATES.—

[(1) CONSORTIA.—In a State that has reported 1 percent or more of all AIDS cases reported to and confirmed by the Centers for Disease Control and Prevention in all States, not less than 50 percent of the amount received by the State under a grant awarded under this part shall be utilized for the creation and operation of community-based comprehensive care consortia under section 2613, in those areas within the State in which the largest number of individuals with HIV disease reside.**]**

[(2)**]** *(1)* ALLOWANCES.—Prior to allocating assistance under this subsection, a State shall consider the unmet needs of those areas that have not received financial assistance under part A.

[(3)**]** *(2)* PLANNING AND EVALUATIONS.—A State may not use in excess of 5 percent of amounts received under a grant awarded under this part for planning and evaluation activities.

[(4)**]** *(3)* ADMINISTRATION.—A State may not use in excess of 5 percent of amounts received under a grant awarded under this part for administration, accounting, reporting, and program oversight functions. *In the case of entities to which the State allocates amounts received by the State under the grant (including consortia under section 2613), the State shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses). For purposes of the preceding sentence, the costs of establishing and operating consortia under section 2613 shall be considered administrative expenses.*

[(5)**]** *(4)* CONSTRUCTION.—A State may not use amounts received under a grant awarded under this part to purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other fa-

cility, or to make cash payments to intended recipients of services.

* * * * * * *

SEC. 2619. TECHNICAL ASSISTANCE.

The Secretary may provide technical assistance in administering and coordinating the activities authorized under section 2612, *including technical assistance for the development and implementation of statewide coordinated statements of need*.

[SEC. 2620. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to make grants under this part, $275,000,000 in each of the fiscal years 1991 and 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1995.]

PART C—EARLY INTERVENTION SERVICES

Subpart I—Formula Grants for States

* * * * * * *

Subpart II—Categorical Grants

SEC. 2651. ESTABLISHMENT OF PROGRAM.

(a) * * *

(b) PURPOSES OF GRANTS.—

(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to expend the grant for the purposes of providing, on an outpatient basis, each of the early intervention services specified in paragraph (2) with respect to HIV disease, *and unless the applicant agrees to expend not less than 50 percent of the grant for such services that are specified in subparagraphs (B) through (E) of such paragraph*.

* * * * * * *

(4) REQUIREMENT OF AVAILABILITY OF ALL EARLY INTERVENTION SERVICES THROUGH EACH GRANTEE.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that each of the early intervention services specified in paragraph (2) will be available through the grantee. With respect to compliance with such agreement, such a grantee may expend the grant to provide the early intervention services directly, and may expend the grant to enter into agreements with public or nonprofit private entities *(or private for-profit entities, if such entities are the only available providers of quality HIV care in the area)* under which the entities provide the services.

* * * * * * *

SEC. 2652. MINIMUM QUALIFICATIONS OF GRANTEES.

(a) * * *

(b) STATUS AS MEDICAID PROVIDER.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may not make a grant under section 2651 for the provision of services described in subsection (b) of such section in a State

unless, in the case of any such service that is available pursuant to the State plan approved under title XIX of the Social Security Act for the State—

(A) the applicant for the grant will provide the service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

(B) the applicant for the grant will enter into an agreement with a public or nonprofit private entity *(or a private for-profit entity, if such an entity is the only available provider of quality HIV care in the area)* under which the entity will provide the service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

* * * * * * *

SEC. 2654. MISCELLANEOUS PROVISIONS.

(a) * * *

* * * * * * *

(c) PLANNING AND DEVELOPMENT GRANTS.—

(1) IN GENERAL.—The Secretary may provide planning grants, in an amount not to exceed $50,000 for each such grant, to public and nonprofit private entities for the purpose of enabling such entities to provide early intervention services.

(2) REQUIREMENT.—The Secretary may award a grant to an entity under paragraph (1) only if the Secretary determines that the entity will use such grant to assist the entity in qualifying for a grant under section 2651.

(3) PREFERENCE.—In awarding grants under paragraph (1), the Secretary shall give preference to entities that provide HIV primary care services in rural or underserved communities.

(4) LIMITATION.—Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2655 may be used to carry out this section.

SEC. 2655. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of making grants under section 2651, there are authorized to be appropriated **[**$75,000,000 for fiscal years 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1995.**]** *such sums as may be necessary for each of the fiscal years 1996 through 2000.*

Subpart III—General Provisions

* * * * * * *

SEC. 2664. ADDITIONAL REQUIRED AGREEMENTS.

(a) REPORTS TO SECRETARY.—The Secretary may not make a grant under this part unless—

(1) the applicant submits to the Secretary—

(A) a specification of the expenditures made by the applicant for early intervention services for the fiscal year preceding the fiscal year for which the applicant is applying to receive the grant; **[**and**]**

(B) an estimate of the number of individuals to whom the applicant has provided such services for such fiscal year; and

(C) evidence that the proposed program is consistent with the statewide coordinated statement of need and that the applicant will participate in the ongoing revision of such statement of need.

* * * * * * *

PART D—GENERAL PROVISIONS

SEC. 2671. [DEMONSTRATION GRANTS FOR RESEARCH AND SERVICES FOR PEDIATRIC PATIENTS REGARDING ACQUIRED IMMUNE DEFICIENCY SYNDROME.] *COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, AND CHILDREN.*

[(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and the Director of the National Institutes of Health, shall make demonstration grants to community health centers, and other appropriate public or nonprofit private entities that provide primary health care to the public, for the purpose of—

[(1) conducting, at the health facilities of such entities, clinical research on therapies for pediatric patients with HIV disease as well as pregnant women with HIV disease; and

[(2) with respect to the pediatric patients who participate in such research, providing health care on an outpatient basis to such patients and the families of such patients.]

(a) IN GENERAL.—

(1) PROGRAM OF GRANTS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and in consultation with the Director of the National Institutes of Health, shall make grants to public and nonprofit private entities that provide primary care (directly or through contracts) for the purpose of—

(A) providing through such entities, in accordance with this section, opportunities for women, infants, and children to be participants in research of potential clinical benefit to individuals with HIV disease; and

(B) providing to women, infants, and children health care on an outpatient basis.

(2) PROVISIONS REGARDING PARTICIPATION IN RESEARCH.—With respect to the projects of research with which an applicant under paragraph (1) is concerned, the Secretary may not make a grant under such paragraph to the applicant unless the following conditions are met:

(A) The applicant agrees to make reasonable efforts—

(i) to identify which of the patients of the applicant are women, infants, and children who would be appropriate participants in the projects; and

(ii) to offer women, infants, and children the opportunity to so participate (as appropriate), including the provision of services under subsection (f).

(B) The applicant agrees that the applicant, and the projects of research, will comply with accepted standards

of protection for human subjects (including the provision of written informed consent) who participate as subjects in clinical research.

(C) For the third or subsequent fiscal year for which a grant under such paragraph is sought by the applicant, the Secretary has determined that—

(i) a significant number of women, infants, and children who are patients of the applicant are participating in the projects (except to the extent this clause is waived under subsection (k)); and

(ii) the applicant, and the projects of research, have complied with the standards referred to in subparagraph (B).

(3) PROHIBITION.—Receipt of services by a patient shall not be conditioned upon the consent of the patient to participate in research.

(4) CONSIDERATION BY SECRETARY OF CERTAIN CIRCUMSTANCES.—In administering the requirement of paragraph (2)(C)(i), the Secretary shall take into account circumstances in which a grantee under paragraph (1) is temporarily unable to comply with the requirement for reasons beyond the control of the grantee, and shall in such circumstances provide to the grantee a reasonable period of opportunity in which to reestablish compliance with the requirement.

(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) unless the health facility operated by the applicant for the grant serves a significant number of [pediatric patients and pregnant women] *women, infants, and children* with HIV disease.

[(c) COOPERATION WITH BIOMEDICAL INSTITUTIONS.—

[(1) DESIGN OF RESEARCH PROTOCOL.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant—

[(A) has entered into a cooperative agreement or contract with an appropriately qualified entity with expertise in biomedical research under which the entity will assist the applicant in designing and conducting a protocol for the research to be conducted pursuant to the grant; and

[(B) agrees to provide the clinical data developed in the research to the Director of the National Institutes of Health.

[(2) ANALYSIS AND EVALUATION.—The Secretary, acting through the Director of the National Institutes of Health—

[(A) may assist grantees under subsection (a) in designing and conducting protocols described in subparagraph (A) of paragraph (1); and

[(B) shall analyze and evaluate the data submitted to the Director pursuant to subparagraph (B) of such paragraph.]

(c) PROVISIONS REGARDING CONDUCT OF RESEARCH.—With respect to eligibility for a grant under subsection (a):

(1) A project of research for which subjects are sought pursuant to such subsection may be conducted by the applicant for the grant, or by an entity with which the applicant has made

arrangements for purposes of the grant. The grant may not be expended for the conduct of any project of research.

(2) The grant may not be made unless the Secretary makes the following determinations:

(A) The applicant or other entity (as the case may be under paragraph (1)) is appropriately qualified to conduct the project of research. An entity shall be considered to be so qualified if any research protocol of the entity has been recommended for funding under this Act pursuant to technical and scientific peer review through the National Institutes of Health.

(B) The project of research is being conducted in accordance with a research protocol to which the Secretary gives priority regarding the prevention and treatment of HIV disease in women, infants, and children. After consultation with public and private entities that conduct such research, and with providers of services under this section and recipients of such services, the Secretary shall establish a list of such protocols that are appropriate for purposes of this section. The Secretary may give priority under this subparagraph to a research protocol that is not on such list.

(d) CASE MANAGEMENT.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide for the case management of the **[**pediatric**]** patient involved and the family of the patient.

(e) REFERRALS FOR ADDITIONAL SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide for the **[**pediatric**]** patient involved and the family of the patient—

(1) referrals for inpatient hospital services, treatment for substance abuse, and mental health services; and

(2) referrals for other social and support services, as appropriate.

(f) INCIDENTAL SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide the family of the **[**pediatric**]** patient involved with such transportation, child care, and other incidental services as may be necessary to enable the **[**pediatric**]** patient and the family of the patient to participate in the program established by the applicant pursuant to such subsection.

(g) ADDITIONAL PROVISIONS.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees as follows:

(1) The applicant will coordinate activities under the grant with other providers of health care services under this Act, and under title V of the Social Security Act.

(2) The applicant will participate in the statewide coordinated statement of need under part B (where it has been initiated by the State) and in revisions of such statement.

[(g)**]** *(h)* APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and in-

formation as the Secretary determines to be necessary to carry out this section.

[(h)] *(i)* EVALUATIONS.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of programs carried out pursuant to subsection (a).

[(i) DEFINITION.—For purposes of this section, the term "community health center" has the meaning given such term in section 330(a).]

(j) COORDINATION WITH NATIONAL INSTITUTES OF HEALTH.—The Secretary shall develop and implement a plan that provides for the coordination of the activities of the National Institutes of Health with the activities carried out under this section. In carrying out the preceding sentence, the Secretary shall ensure that projects of research conducted or supported by such Institutes are made aware of applicants and grantees under this section, shall require that the projects, as appropriate, enter into arrangements for purposes of this section, and shall require that each project entering into such an arrangement inform the applicant or grantee under this section of the needs of the project for the participation of women, infants, and children.

(k) TEMPORARY WAIVER REGARDING SIGNIFICANT PARTICIPATION.—

(1) IN GENERAL.—In the case of an applicant under subsection (a) who received a grant under this section for fiscal year 1995, the Secretary may, subject to paragraph (2), provide to the applicant a waiver of the requirement of subsection (a)(2)(C)(i) if the Secretary determines that the applicant is making reasonable progress toward meeting the requirement.

(2) TERMINATION OF AUTHORITY FOR WAIVERS.—The Secretary may not provide any waiver under paragraph (1) on or after October 1, 1998. Any such waiver provided prior to such date terminates on such date, or on such earlier date as the Secretary may specify.

(l) TRAINING AND TECHNICAL ASSISTANCE.—Of the amounts appropriated under subsection (m) for a fiscal year, the Secretary may use not more than five percent to provide training and technical assistance to assist applicants and grantees under subsection (a) in complying with the requirements of this section.

[(j)] *(m)* AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, [there are authorized to be appropriated $20,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1995.] *there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000.*

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SEC. 2673A. DEMONSTRATION PROJECTS OF NATIONAL SIGNIFICANCE.

(a) IN GENERAL.—The Secretary shall make grants to public and nonprofit private entities (including community-based organizations and Indian tribes and tribal organizations) for the purpose of carrying out demonstration projects that provide for the care and treatment of individuals with HIV disease, and that—

(1) assess the effectiveness of particular models for the care and treatment of individuals with such disease;

(2) are of an innovative nature; and

(3) have the potential to be replicated in similar localities, or nationally.

(b) CERTAIN PROJECTS.—Demonstration projects under subsection (a) shall include the development and assessment of innovative models for the delivery of HIV services that are designed—

(1) to address the needs of special populations (including individuals and families with HIV disease living in rural communities, adolescents with HIV disease, Native American individuals and families with HIV disease, homeless individuals and families with HIV disease, hemophiliacs with HIV disease, and incarcerated individuals with HIV disease); and

(2) to ensure the ongoing availability of services for Native American communities to enable such communities to care for Native Americans with HIV disease.

(c) COORDINATION.—The Secretary may not make a grant under this section unless the applicant submits evidence that the proposed program is consistent with the applicable statewide coordinated statement of need under part B, and the applicant agrees to participate in the ongoing revision process of such statement of need (where it has been initiated by the State).

(d) REPLICATION.—The Secretary shall make information concerning successful models developed under this section available to grantees under this title for the purpose of coordination, replication, and integration.

(e) FUNDING; ALLOCATION OF AMOUNTS.—

(1) IN GENERAL.—Of the amounts available under this title for a fiscal year for each program specified in paragraph (2), the Secretary shall reserve 3 percent for making grants under subsection (a).

(2) RELEVANT PROGRAMS.—The programs referred to in subsection (a) are the program under part A, the program under part B, the program under part C, the program under section 2671, the program under section 2672, and the program under section 2673.

SEC. [776.] *2673B.* ACQUIRED IMMUNE DEFICIENCY SYNDROME.

(a) SCHOOLS; CENTERS.—

(1) IN GENERAL.—The Secretary may make grants and enter into contracts to assist public and nonprofit private entities and schools and academic health science centers in meeting the costs of projects—

(A) to train health personnel, including practitioners in programs under this title and other community providers, in the diagnosis, treatment, and prevention of HIV disease, including the prevention of the perinatal transmission of the disease and including measures for the prevention and treatment of opportunistic infections;

[(A)**]** *(B)* to train the faculty of schools of, and graduate departments or programs of, medicine, nursing, osteopathic medicine, dentistry, public health, allied health, and mental health practice to teach health professions students to provide for the health care needs of individuals with HIV disease; *and*

[(B) to train practitioners to provide for the health care needs of such individuals;

[(C) with respect to improving clinical skills in the diagnosis, treatment, and prevention of such disease, to educate and train the health professionals and clinical staff of schools of medicine, osteopathic medicine, and dentistry; and]

[(D)] *(C)* to develop and disseminate [curricula and] resource materials relating to the care and treatment of individuals with such disease and the prevention of the disease among individuals who are at risk of contracting the disease.

(2) PREFERENCE IN MAKING GRANTS.—In making grants under paragraph (1), the Secretary shall give preference to qualified projects which will—

(A) train, or result in the training of, health professionals who will provide treatment for minority individuals with HIV disease and other individuals who are at high risk of contracting such disease; and

(B) train, or result in the training of, minority health professionals and minority allied health professionals to provide treatment for individuals with such disease.

(3) APPLICATION.—No grant or contract may be made under paragraph (1) unless an application is submitted to the Secretary in such form, at such time, and containing such information, as the Secretary may prescribe.

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[(c) DEFINITION.—For purposes of this section:

[(1) The term "HIV disease" means infection with the human immunodeficiency virus, and includes any condition arising from such infection.

[(2) The term "human immunodeficiency virus" means the etiologic agent for acquired immune deficiency syndrome.]

[(d)] *(c)* AUTHORIZATION OF APPROPRIATIONS.—

(1) SCHOOLS; CENTERS.—For the purpose of grants under subsection (a), there [is] *are* authorized to be appropriated $23,000,000 for each of the fiscal years 1993 through 1995, *and such sums as may be necessary for each of the fiscal years 1996 through 2000*.

(2) DENTAL SCHOOLS.—For the purpose of grants under subsection (b), there [is] *are* authorized to be appropriated $7,000,000 for each of the fiscal years 1993 through 1995, *and such sums as may be necessary for each of the fiscal years 1996 through 2000*.

SEC. 2674. EVALUATIONS AND REPORTS.

(a) EVALUATIONS.—The Secretary shall, directly or through grants and contracts, evaluate programs carried out under this title.

(b) REPORT TO CONGRESS.—The Secretary shall, [not later than 1 year after the date on which amounts are first appropriated under this title,] *not later than October 1, 1996,* and annually thereafter, prepare and submit to the appropriate Committees of Congress a report—

[(1) summarizing all of the reports that are required to be submitted to the Secretary under this title;

[(2) recommending criteria to be used in determining the geographic areas with the most substantial need for HIV-related health services;

[(3) summarizing all of the evaluations carried out pursuant to subsection (a) during the period for which the report under this subsection is prepared; and]

(1) evaluating the programs carried out under this title; and

[(4)] *(2)* making such recommendations for administrative and legislative initiatives with respect to this title as the Secretary determines to be appropriate.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of the fiscal years 1991 through 1995.

(d) ALLOCATION OF FUNDS.—The Secretary shall carry out this section with amounts available under section 241. Such amounts are in addition to any other amounts that are available to the Secretary for such purpose.

SEC. 2675. COORDINATION.

(a) * * *

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(d) ANNUAL REPORT.—Not later than October 1, 1996, and annually thereafter, the Secretary shall submit to the appropriate committees of the Congress a report concerning coordination efforts under this title at the Federal, State, and local levels, including a statement of whether and to what extent there exist Federal barriers to integrating HIV-related programs.

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SEC. 2677. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—For the purpose of carrying out parts A and B, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000. Subject to section 2673A and to subsection (b), of the amount appropriated under this section for a fiscal year, the Secretary shall make available 64 percent of such amount to carry out part A and 36 percent of such amount to carry out part B.

(b) DEVELOPMENT OF METHODOLOGY.—With respect to each of the fiscal years 1997 through 2000, the Secretary may develop and implement a methodology for adjusting the percentages referred to in subsection (a).

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ADDITIONAL VIEWS OF THE HONORABLE RICHARD BURR, THE HONORABLE SCOTT KLUG, AND THE HONORABLE ED WHITFIELD TO H.R. 1872, REAUTHORIZATION OF THE RYAN WHITE CARE ACT

Several members of the Commerce Committee raised great concern regarding the funding formulas of H.R. 1872 during subcommittee and full committee mark up of the bill.

The central theme of reauthorization of the CARE Act is the necessity to achieve more equitable distribution of funding. H.R. 1872 fails to appropriately address this theme. Many cities designated as "emergency metropolitan areas" receive as much as four or even five times the amount of funding on a per case basis as Title II areas. This disparity in funding does not address the vast changes in the AIDS epidemic since the bill first became law.

The funding formulas of H.R. 1872 fail to remedy the funding inequities in current law. These formulas:

Maintain the practice of "double counting" AIDS cases which allows for states with Title I EMAs to count AIDS cases reported in these cities once for Title I grants and again for the state's Title II grant;

Severely restricts the ability of the Title I equity formula to be implemented because of the high "hold harmless" floor; and

Utilize an imprecise measure of AIDS caseloads, the number of reported AIDS cases in the previous two years, instead of the weighted cumulative AIDS cases method developed by GAO.

Under Title II of H.R. 1872, 28 states and a majority of smaller cities and rural areas are disadvantaged by the funding formula. This formula refuses to recognize the expansion of the tragic AIDS epidemic into smaller urban centers, cities, towns and rural areas throughout this country.

RICHARD BURR.
SCOTT KLUG.
ED WHITFIELD.

ADDITIONAL VIEWS OF THE HONORABLE BLANCHE LAMBERT LINCOLN, REGARDING THE RYAN WHITE CARE ACT TITLE II FUNDING

THE CHANGING FACE OF THE AIDS EPIDEMIC

Tragically, the AIDS epidemic has continued to expand since the CARE Act first became law in 1990. The epidemic has grown to now encompass urban, suburban and rural areas in every state across the nation. The reauthorization provides us an historic opportunity to ensure that the CARE Act is modified to meet the needs of the changing face of AIDS.

> 52% of AIDS cases reported nationally are now outside of the original 16 epicenters designated as "emergency metropolitan area".
>
> The AIDS epidemic is expanding most rapidly in rural areas of the country. Fully 17% of AIDS cases are now reported in small cities, towns and rural areas throughout the country.

To accurately reflect the changes in the AIDS epidemic and to effectively meet the needs of people living with AIDS, the formulas of the CARE Act must achieve more equitable distribution of funds. No longer is it acceptable for a Title I city to receive as much as four or five times the amount of funding as Title II areas of the country on a per case basis.

During sub-committee and full committee mark-up, I gave an example of how we in rural areas have been affected by these funding inequities. Recently, one of the sub-grantees of Ryan White funding in my congressional district received a phone call from a St. Louis man who has AIDS. This man, who is originally from my district and wanted to move back to take care of a friend who was dying from the disease, realized that this would be impossible when he learned of the substantially less amount of money he would receive for services in Arkansas than he would receive in St. Louis, a Title 1 area. The man stated that per client funding in St. Louis is around $3500; in the First District of Arkansas, per client funding is merely $617.

The funding formulas of the CARE Act contribute greatly to this disparity in service delivery.

BLANCHE LAMBERT LINCOLN.

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